



Daily Report

East Asia

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Japan

Japan: U.S. Summit Nears; Hashimoto 'Irritated' by Issues

OW1104061996 Tokyo NIHON KEIZAI SHIMBUN
(Morning Edition) in Japanese 10 Apr 96 p 5

[Unattributed article from the "Undercurrent" column:
"Hashimoto Gets Irritated as Japan-U.S. Summit
Nears"]

[FBIS Translated Text] Bureaucrats in Kasumigaseki
are worried that "the prime minister will continue to
fret for the time being."

Although the 17 April summit between Prime Minister
Ryutaro Hashimoto and U.S. President Bill Clinton is
nearing, the government has yet to pass the budget
bill for FY96 through the Diet or settle the issue of
liquidating failed housing loan companies (known as
jusen). Moreover, although Japan and the United States
recently reached an agreement in the aviation talks, the
prospects of the two sides breaking the deadlock in talks
on three other trade sectors, including insurance, are still
dim. Each time they hear Hashimoto is in a bad temper,
bureaucrats fear that "just before the summit meeting,
the prime minister may ask us to somehow try and settle
trade disputes with the United States."

At the end of March, Hashimoto was urged by U.S.
Ambassador to Japan Walter Mondale to liberalize the
Japanese insurance market. After that, Hashimoto called
a senior Finance Ministry official to his office and
asked him in a severe tone: "Have you been negotiating
with the United States properly?" According to this
official, Hashimoto's statement revealed his anger at the
Finance Ministry's lack of sense of crisis in the face of
the United States's tough stand in bilateral trade talks.
Experiencing difficulties in dealing with Diet affairs and
facing tough issues, including Okinawa's base problems
and the insurance and semiconductor issues, Hashimoto
has a look of distress on his face.

During his talks with Clinton, Hashimoto plans to show
his strong resolve to work to maintain Japan's reputa-
tion and order. However, because of the stalled Diet
deliberations on the issue of liquidating housing loan
firms, the government cannot take the fiscal measures
needed to maintain Japan's credit and order. Also, its
revised deregulation program is rated lowly by the of-
fice of the U.S. Trade Representative (USTR), although
Hashimoto is confident that "Washington will give high
points to the plan."

In mid-February, just before the last Japan-U.S. sum-
mit in Santa Monica, Hashimoto asked Administrative
Construction Vice Minister Haruho Fujii "whether Japan
could make any eye-catching proposals for the housing

sector." Fujii answered: "We could concerning imported
housing." Hashimoto then asked Fujii to "immediately
work them out." This led to the government's abrupt
announcement of deregulatory steps for imported hous-
ing.

By giving bureaucrats minute instructions on govern-
ment's tasks, Hashimoto is trying to compensate for
his inability to exercise leadership in coordinating the
opinions of the ruling and opposition parties. What in-
structions will he give to bureaucrats to divert Washing-
ton's cold stare from him before the upcoming summit?
People at home and abroad may evaluate Hashimoto's
statesmanship by the outcome of the summit.

Japan: Foreign Ministry: Clinton To Visit Chrysler Showroom

OW1104103996 Tokyo KYODO in English
1027 GMT 11 Apr 96

[FBIS Transcribed Text] Tokyo, April 11 KYODO
— U.S. President Bill Clinton will visit a Tokyo car
showroom of Chrysler Corp. during his three-day state
visit here next week, Foreign Ministry officials said
Thursday [11 April].

Clinton, who will be in Japan for three days from next
Tuesday, will make the visit as a show of support for
U.S. automakers in their efforts to win greater market
access in Japan.

During his Japan trip in January 1992, then President
George Bush paid a similar visit to an outlet of Toys 'R
Us Inc., a major U.S. toy shop chain, in Kashihara, Nara
Prefecture, western Japan.

Clinton is scheduled to meet with Prime Minister Ryu-
taro Hashimoto on Wednesday to discuss the bilateral
security partnership, economic issues and other interna-
tional affairs.

Japan: Meaning of Security Framework Redefinition Noted

OW1004144496 Tokyo SANKEI SHIMBUN (Morning
Edition) in Japanese 8 Apr 96 p 2

[Editorial: "Redefine Security Treaty to Contain
Threat"]

[FBIS Translated Text] U.S. President Bill Clinton's
Japan visit, set for mid-April, is an opportunity for two
superpowers, Japan and the United States, to announce
their determination to fulfill their responsibilities for
peace and stability in the Asia-Pacific region. Their main
goal is to back the remarkable economic development
in this region and prevent the rise of tension in East
Asia, where the cold war structure still lingers on. An

express provision of this goal will be a redefinition of the Japan-U.S. security alliance.

Regarding the redefinition, we would like to point out three important issues to be considered.

First, the two countries must avoid harming public trust in the bilateral security framework any more than they already have. The base problems triggered by the tragic rape incident on Okinawa have cast a shadow on bilateral relations. However, we must not jump to the hasty conclusion that the Japan-U.S. summit will be a failure if concrete plans for base reorganization and reduction are not presented.

Japan's strategic significance — providing strong forward deployment to the United States — and the base problems are essentially two different issues, because solutions to U.S. base-related problems, such as relocating the bases, are tasks to be undertaken by Japan's political leadership.

Second, the two countries must clearly demonstrate their determination to prevent "threats" in the Asian region. Factors in East Asian tensions are China, which interfered with Taiwan's presidential election by force, and North Korea, which does not comply with international rules.

There is no need to name these two countries, but it is necessary to send a clear message to demonstrate U.S. deterrence and Japan's intention to support this ally. Chinese Foreign Minister Qian Qichen, who recently visited Japan, warned that the redefinition of the Japan-U.S. security treaty should not be based on a China-as-an-enemy-nation viewpoint. What this means is that the redefinition could become a more effective deterrence than ever to China's militaristic action.

The third is Japan's own task in the future. The redefinition will broaden the scope of the bilateral framework to ensure security in the whole Asia-Pacific region. The roles are of course different for the United States, as the world's superpower, and Japan, whose defense policy focuses exclusively on defense.

According to the government's strange interpretation, however, our constitution prohibits use of collective self-defense rights. We should not forget that such a restriction will likely cause problems in operation of the security framework, as it also prohibits providing full logistic support to the U.S. forces in case of Far East emergencies.

The New Frontier Party [Shinshinto] has already decided to ask for changes in the government's interpretation of the Constitution regarding collective self-defense rights. Meanwhile, the Liberal Democratic Party has

started discussions on logistic support in emergency situations. As long as it is called redefinition, the security framework must be improved and further vitalized. In this context, Japan must make a certain decision when redefining the security framework.

Japan: Okinawan Official Criticizes Base Accord With U.S.

OW1104045996 Naha RYUKYU SHIMPO (Morning Edition) in Japanese 11 Apr 96 p 2

[FBIS Translated Text] The Japanese and U.S. Governments have agreed in principle that they will set a target of more than 4,300 hectares of land as the total area of U.S. military bases in Okinawa to be returned in the future. This number represents the total of all U.S. military land that has been returned since Okinawa's reversion to Japan in 1972. In this connection, a top official of the Okinawa Prefectural Government said: "I cannot comment because I have not received any information about that." Indicating a distrust of the national government's handling of the issue, he added: "If they just try to make it look plausible and juggle the numbers, Okinawa Prefecture will not be satisfied. They probably are not even taking into consideration the prefecture's action program on return for U.S. military facilities at all..."

The top official mentioned the fact that U.S. military bases on Okinawa have so far been returned under U.S. leadership. He asserted: "The Japanese and U.S. Governments probably do not understand that the prefecture's action program has been worked out based on local governments' agreements. The return of U.S. military facilities should be promoted based on progress in formulating plans for using returned military land, with Okinawa playing the leading role. The return of military facilities must be promoted based on the Okinawan people's life plans."

The prefectural government has already submitted to the national government its action program seeking the complete return of U.S. military bases by the year 2015. In the action program, the prefecture regarded the return of 10 facilities, including the Naha military port and the Marine Corps Air Station Futenma, as the highest priority. It has a special interest in what kind of "interim report" on the realignment and reduction of U.S. facilities will be announced by the Japan-U.S. special action committee on 15 April.

Japan, U.S. To Pledge Return of 5,000 Ha of Base Land

OW1004135196 Tokyo YOMIURI SHIMBUN
(Morning Edition) in Japanese 10 Apr 96 p 1

[FBIS Translated Text] On 9 April, the Japanese and U.S. Governments worked out a final draft of their "interim report on realignment, consolidation, and reduction of U.S. bases in Okinawa," which will be released prior to U.S. President Bill Clinton's Japan visit (scheduled for 16 April). In the report, the two governments will propose returning some 5,000-hectares [ha] held by U.S. Forces Japan [USFJ] stationed in Okinawa, compared with 4,300 ha returned since Okinawa's reversion in 1972. The draft report also stresses the importance of "further efforts to make functions and facilities of the USFJ more intensive and efficient" to carry out streamlining of bases without touching the USFJ's troop strength of 47,000.

After last-minute coordination, the report will be formally endorsed by the two governments on April 15, when Foreign Minister Yukihiko Ikeda and Defense Agency Director General Hideo Usui are to meet U.S. Defense Secretary William Perry and other U.S. officials at the meeting of the Japan-U.S. security consultative committee (2+2) in Tokyo.

The interim report was prepared as a summary of achievements reached by discussions at the Japan-U.S. Special Action Committee on Okinawa (SACO) since last November. Japan and the United States had already agreed to list in the interim report eight facilities, including the Hokubu [North Okinawa] training site, the largest U.S. military facility in Japan, as possible locations to be returned.

However, Japan has been saying "return of more sites is necessary to comply with Okinawan demands" (as noted by a government source). As the result of SACO negotiations, Japan and the United States have tentatively agreed to return half of the North Okinawa training site — 3,750 ha — to reach the target total of about 5,000 ha.

As definite measures to streamline the U.S. bases in Okinawa, the report will reaffirm that 1) USFJ functions and facilities should be made more compact and efficient, and 2) more efficient use of existing facilities should be pursued through construction of high-rise housing and other possible methods. Following release of the interim report, the Japanese Government will announce its readiness to "take adequate measures" to comply with Okinawa's demand for smooth redevelopment of sites returned by the USFJ.

While Okinawa is urging return of Marine Corps Air Station Futenma as the top priority issue, this issue was held until the final report in November due to U.S. opposition to immediate return.

Japan: Government Ends Attempts To Pay Okinawan Landowner

OW1104045696 Tokyo KYODO in English
0435 GMT 11 Apr 96

[FBIS Transcribed Text] Tokyo, April 11 KYODO — Government officials said Thursday [11 April] they have given up efforts to pay an Okinawa landowner for the use of his land within a U.S. military facility after a lease for the U.S. military use of the plot expired.

Since April 1, the Japanese Government has been without clear legal rights to the land of Shoichi Chibana, a local grocer, because of his refusal to renew the contract.

Officials from the Naha Regional Defense Facilities Administration Bureau have tried to pay rent of 676 yen a day during daily visits to Chibana's grocery store, but the landowner refused to accept and told the money couriers to stay away.

According to the bureau, officials continued their efforts to pay the rent through Tuesday, the day when Chibana informed the agency that he wants the visits to stop, arguing they obstruct his business.

Chibana is demanding access to his 236-square-meter plot of land situated within the Sobe military communications facility in the village of Yomitan in Okinawa Prefecture. He is also demanding its eventual return.

Sakae Kawahito, deputy director of the agency, said there was still a possibility to pay the outstanding amount in rent should a new lease on Chibana's land be concluded.

The bureau has filed an emergency application with an independent Okinawa-based committee in charge of land expropriation to allow the continued lease of the land for the U.S. military.

Chibana's standoff with the government is the latest twist in a battle between the people in Okinawa who want the removal of U.S. bases from the southwestern Japanese prefecture and Japanese Government officials who view them as crucial to national security under the Japan-U.S. security pact.

Japan: Okinawa Editorial on Relocating U.S. Exercise Site

OW1104102396 Naha OKINAWA TIMES (Morning Edition) in Japanese 11 Apr 96 p 5

[Editorial: "Relocation Plan Resulting From Contradictory Efforts"]

[FBIS Translated Text] While insisting on observing the Japan-U.S. security treaty, which sets the strength of U.S. forces in Japan at 47,000 troops, the government has been trying to promote realignment and reduction of U.S. military bases in Okinawa, and the result of such contradictory efforts has come out in the form of a proposal for base relocation.

The proposal is to relocate live-fire exercises normally conducted across Prefectural Highway 104 in Kisebaru, Kyan town, to exercise sites on mainland Japan used by the Self-Defense Forces (SDF). This is nothing but an attempt to impose the outcome of the government's contradictory efforts on the people: Due to the "curse" [juron] that the Japan-U.S. security treaty is indispensable to maintaining peace and stability in the Asia-Pacific region, attempts have also been made to promote realignment and reduction of U.S. military bases while maintaining their functions.

At the 8th session of the working-level group of the Japan-U.S. Joint Committee, the Japanese side reportedly proposed to the U.S. forces that four SDF training fields be used as new locations for the live-fire exercises currently conducted across Prefectural Highway 104. The four candidate sites are Yausubetsu (in Hokkaido), Ojojihara (in Miyagi), Fuji (bordering on Yamanashi and Shizuoka), and Hijudai (in Oita).

The U.S. side is supposed to study this proposal, and the decision will be officially made by this summer. However, all the people at these four sites are strongly opposed to this plan, with the local assemblies adopting resolutions or statements of opinion opposing the relocation plan.

The Defense Facilities Administration Agency [DFAA] intends to win local people's understanding by explaining to them that "the plan does not mean that U.S. troops will be permanently stationed there" but that "exercises will be conducted only for a couple of days a year at several facilities on a rotation basis." However, it has long been voiced among local assemblymen that "since the government has given us no briefings, the proposal is absolutely unacceptable.

Local people have indicated strong opposition every time the names of the candidate sites have been reported. Therefore, the DFAA has decided that "the issue has to be handled with great caution." Concerning the

mentioned meeting, all that has been disclosed is that "data on several candidate sites has been provided." How can local people be persuaded if the decision is made at such a secret meeting? The fact that candidate sites cannot be disclosed also signifies that the government has lost not only the trust but also the support of the people.

Governor Masahide Ota has been involved in an administrative lawsuit over his refusal to sign by proxy documents required for forced use of land by U.S. military bases and also over his refusal to carry out the order. The point in contention is whether priority will be given to national or prefectural interests. However, the court has put aside the prefecture's interests and stated in its verdict: "As a result of violation of the regulations (by refusing to sign the documents by proxy), the national government has been deprived of its chances to fulfill obligations as stated in the treaty, thereby conspicuously damaging public interests." The trial concluded giving priority to the Japan-U.S. security treaty. However, no localities that will support this verdict, which is advantageous to the central government, or "welcome the relocation because it involves national interests." If such is the case, the plan will bring about national damage instead of national interests.

With hopes for peace, we have continued to appeal for and demand realignment and reduction of bases. If our demand should be secretly changed to a domestic relocation plan, it is nothing but shoddy cheating.

As our opposition clearly indicates, it can be said that the people are positive in rejecting bases set up on the basis of the Japan-U.S. security arrangement. Despite the people's opposition, the government seems to persist in the policy of maintaining the security arrangement and playing up to the United States by supporting the U.S. forces' military exercises. Unless the government takes another look at this policy, the base issue will never be settled.

It is only natural for people to oppose the plan for relocating live-fire exercises that will destroy nature and ruin the peaceful environment. If the government tries to push its way through despite the local people's opposition and decides to enforce the plan, it will merely add fuel to the base issue that originated in Okinawa.

Japan: Sobe Communications Site Called Hashimoto's 'Headache'

OW1004133096 Tokyo AERA in Japanese 15 Apr 96
p 15

[Article by AERA editor Shunji Taoka: "A Part of Global Electric Espionage Network"]

[FBIS Translated Text] A huge cylindrical antenna at the U.S. Navy's Sobe Communications Station in Yomitan Village, Okinawa, is called the "elephant cage." At present, the government is unlikely to be able to escape immediately from the impasse created when it illegally occupied an individual's land and clumsily resorted to police to prevent him from entering his property. It is nothing but a "Ryu's cage" for Prime Minister Ryutaro Hashimoto.

The U.S. forces's formal name for the "elephant cage" is "AN/FLR-9." It is about 270 meters in diameter and about 30 meters high, and big enough to contain a ballpark. It is part of a radio interception system developed by GTE Government Systems Company (of California), and is reportedly capable of receiving various kinds of radio waves ranging from the super-long waves used for communicating with submarines underwater to the super-high frequency waves used for radar.

The antenna is designed to receive radio waves from all directions to find the direction and distance to dispatchers. Such information helps U.S. forces follow maneuvers of warships, aircraft, and ground troops and analyze codes.

The U.S. Navy calls Sobe Communications Station "Naval Security Group Activity Hanza." It is one of the Navy's 26 radio-interception stations in the world, and it appears that about 280 people work there.

Another "elephant cage" is located at Misawa Air Base, Aomori Prefecture, and is operated by the U.S. Air Force's 6920th Electronic Security Squadron (with a staff of about 950).

U.S. troops in charge of communications and intelligence services ostensibly belong to the Army, Navy, or Air Force. Actually, however, they were unified under the National Security Agency (NSA), the Pentagon's external agency, in 1952 to unify interception and decoding of radio signals. There are also elephant cages in several other places in the world, such as Anchorage, Alaska; Augsburg, Germany; and San Vito dei Normanni, Italy, apparently located as if to surround the former USSR. The location of Sobe Communications Station is convenient for receiving radio waves from Mainland China. In the past, it was also suitable for

following maneuvers of the USSR's fleets in the Pacific.

THE NEW YORK TIMES reported that it was the NSA that bugged conversations between Hashimoto, then International Trade and Industry Minister, and concerned Japanese Government officials in Tokyo when he attended the Japan-U.S. auto talks in Geneva in June last year. The Central Intelligence Agency (CIA) compiled the information obtained into a report and submitted it to U.S. Trade Representative Mickey Kantor. Thus it is ironic that the Sobe Communications Station under the NSA is a headache for Hashimoto.

Japan: U.S. Navy Officer To Face Charges Over Accident

OW1104043196 Tokyo KYODO in English
0301 GMT 11 Apr 96

[FBIS Transcribed Text] Kobe, April 11 KYODO — A U.S. Navy officer will face a damages suit over a traffic accident in Okinawa Prefecture in which a 19-year-old man was hit and killed by a car driven by the officer, the deceased man's parents said Thursday [11 April].

Daisuke Ebihara, a 43-year-old high school teacher, said he and his wife will file a suit Friday with the Okinawa branch of the Naha District Court demanding the U.S. military serviceman [adding "serviceman"] pay some 78 million yen in damages for the officer's driving a car in a reckless way that led to the death of their son Teppei.

The traffic accident took place at a corner near a U.S. base on a national highway in Okinawa Prefecture on the night of Feb. 22 when a motorcycle driven by Teppei collided with a car driven by the Navy officer.

Ebihara said the accident was attributed to the officer's negligence in Japanese traffic regulations at junctions.

Teppei was living in Okinawa to take an entrance exam for an Okinawa university. His success in the exam became known after the traffic accident.

"It's reckless driving in violation of traffic rules. We want to clarify (the Navy officer's) legal responsibility," Ebihara said.

"The U.S. military is not serious about discussions (over the accident) and there has been no good faith at all, although the accident happened in Japan," he said.

Under the Status of Forces Agreement, U.S. service personnel are required to take personal responsibility for damages inflicted off duty.

In traffic accidents, many U.S. service personnel are incapable of paying compensation because they do not

have their cars insured against personal injury or loss of life.

In Okinawa, the bereaved family members of a woman and her two daughters killed in a traffic accident in January have filed a 62 million yen damages suit against a lance corporal from the U.S. Marine Corps and the owner of a car driven by the lance corporal.

Japan: Diet Duties Force Transport Minister To Cancel U.S. Visit

OW1104120196 Tokyo KYODO in English
1133 GMT 11 Apr 96

[FBIS Transcribed Text] Tokyo, April 11 KYODO — Transport Minister Yoshiyuki Kamei will not go to Washington to sign a final document on the agreement in the cargo sector of Japan-U.S. civil aviation talks due to his Diet schedule, Vice Transport Minister Minoru Toyoda said Thursday [11 April].

Toyoda said at a news conference Kamei and U.S. Transportation Secretary Federico Pena will ink the document in their respective home countries, rather than pressing ahead with their original plan to get together at a signing ceremony in Washington, originally scheduled for this weekend or thereafter.

The ministry had expected Kamei and Pena to reach an agreement on setting a timetable for starting talks on the passenger sector of the aviation talks during the now-canceled meeting between the two in Washington, ministry officials said.

Ministry negotiators, who are now in Washington to work out details of wording in the document on the cargo-sector agreement, will continue to negotiate with U.S. transportation department officials on differences in the passenger sector, they added.

Japan: Defense Agency Addresses LDP on U.S. SDF Facility Use

OW1104053896 Tokyo KYODO in English
0506 GMT 11 Apr 96

[FBIS Transcribed Text] Tokyo, April 11 KYODO — The U.S. military can use facilities of Japan's Self-Defense Forces (SDF), private airports and harbors in Japan in case of emergency in the Far East under the Japan-U.S. Status of Forces Agreement, the Defense Agency said Thursday [11 April].

The agency reported its view to the Liberal Democratic Party (LDP), the largest of the three-party ruling coalition, at a meeting of the LDP Research Commission on Security, concerning its support plan for the U.S. military in case of emergency.

The agency also said when many people are displaced, it can take countermeasures by sending SDF members or tightening marine security guard under the Self-Defense Forces Law.

The agency, however, said a new legislation would be necessary to enable the SDF to support the U.S. military at the rear in case of emergency, to adjust to the question of the right of collective security.

Japanese in trouble outside Japan can be rescued by the SDF under the Self-Defense Forces Law, but the agency said another legislation would be necessary to subject non-Japanese to the SDF rescue operation.

Japan: SDP Opposes Acquisition Accord With U.S. Forces

OW1104093096 Tokyo MAINICHI SHIMBUN
(Morning Edition) in Japanese 11 Apr p 2

[FBIS Translated Text] The Social Democratic Party's [SDP] Security Research Commission (chaired by Shun Oide, a lower house member) held a meeting on 10 April to discuss the proposed "Acquisition and Cross-Servicing Agreement (ACSA; tentative name)," which will enable the Self-Defense Forces and the U.S. military to mutually provide goods, such as fuel, and services, such as transportation and equipment repairs. At the meeting, many opposed the proposal in the accord that Japan's three principles on weapons exports should not be applied to the provision of "weapons component and spare parts" to the U.S. forces, claiming that "this would nullify the three arms export principles." The party decided to ask the Defense Agency to review this proposal. Because of the SDP's opposition to the ACSA, the government will certainly have difficulty coordinating opinions of the ruling parties.

At a news conference after the meeting, Oide expressed concern over another proposal that "Japan and the United States should not provide their goods and services to a third party without prior approval from the other side." He said: "This may allow exports of Japanese weapons parts to a third country."

Japan: Pioneer To Join U.S. Group ATV Technology Development

OW1104030296 Tokyo KYODO in English
0216 GMT 11 Apr 96

[FBIS Transcribed Text] Tokyo, April 11 KYODO — Pioneer Electronic Corp. said Thursday [11 April] it will join a U.S. group in developing technologies for the advanced television (ATV) system.

The organization, the Advanced Television Technology Center, headquartered in Virginia, was founded in

March by a consortium of television broadcasters and manufacturing companies in the United States to develop ATV technologies.

The participation will enable Pioneer to develop television sets and recording equipment for ATV more quickly than it can produce the equipment on its own, the company said.

ATV is a broadcasting system that uses digital ground waves and it is being studied chiefly in the U.S. participants in the nonprofit technology center include Westinghouse/CBS and Public Broadcasting Service (PBS), Pioneer said.

The move is designed to develop ATV-based products before the system is introduced in Japan, which is projected to occur by 2010, it said.

Japan: 'Informal' Fishing, Maritime Talks With China End

OW1004125396 Tokyo KYODO in English
0824 GMT 10 Apr 96

[FBIS Transcribed Text] Tokyo, April 10 KYODO — Japan and China on Wednesday ended a first round of informal talks on fishing and maritime interests without any tangible progress, a Foreign Ministry official said.

In the two-day negotiations in Tokyo, both sides gave an account of their basic stance on the application of a 200-nautical-mile exclusive economic zone under the U.N. Convention on the Law of the Sea and Fishing Rights, the official told reporters.

They differed on the delimitation of the zone or continental shelf between the two countries, but they agreed to continue talks and hold a second round in the not-too-distant future, the official said.

The Japanese delegation was headed by Kenzo Oshima, deputy director general of the Foreign Ministry's Asian affairs bureau, while the chief of the Chinese delegation was Xue Kanqin, deputy director of the Foreign Ministry's treaty and law department.

Goals of the talks include reviewing the 1975 fishery agreement to allow the two countries to control both Japanese and Chinese fishing boats.

Under the existing system, each country is allowed to control its own boats.

Japan: Postreversion Hong Kong Intelligence Viewed

OW1104103896 Tokyo SAPIO in Japanese
10 Apr 96 PP 28-30

[Article by Atsuyuki Sassa, former head of the Cabinet Security Affairs Office: "Intelligence War Among the United States, China and Taiwan: 'Exodus of Political Refugees' and 'Underground Activities of Espionage Agencies' Awaiting Hong Kong After Reversion;" First paragraph is SAPIO's introduction]

[FBIS Translated Text] Hong Kong, known as a shopping paradise, had another face when it was a center of an intelligence war among espionage agents that had been sent in by Taiwan and the United States against the British secret service. On the heels of China's adoption of a reform and open-door policy in 1978, these espionage agents in Hong Kong disappeared. With reversion approaching, Hong Kong is again on the verge of becoming a "major battlefield in the intelligence game." Following is an analysis by Atsuyuki Sassa, former head of the Cabinet Security Affairs Office and consul in Hong Kong for more than three years since 1965, of crises that may become apparent in the near future after its reversion to China.

Hong Kong so far twice experienced periods of confusion. The first one was what they call "Hong Kong riots [anti-British struggle]" of 1967.

For three years and four months from 9 February 1965 to 1968, I was on duty at the consulate-general in Hong Kong. What I had been told about Hong Kong before I went there was everything is perfect: No political anxiety exists because of friendly relations between China and the United Kingdom, water is plenty, meals are cheap and delicious, and it is a shopping paradise. The only defect is that rents are expensive.

But things turned out completely different from the images that I drew from what I had heard about Hong Kong. On the day I arrived in Hong Kong on 9 February 1965, a run was made on banks and finally the Hengsheng Bank went bankrupt.

Then in February in 1965 the United States started "bombing North Vietnam" escalating the Vietnam War in earnest and in May of 1966 the Great Cultural Revolution started in China. These events sent Hong Kong into great turmoil. It culminated in the "Hong Kong riots" in 1967. Those in Hong Kong, in response to the Cultural Revolution, demanded independence from the United Kingdom, driving the colony into disturbances. At that time, there was a curfew was in effect, shoot outs took place along the British and Chinese borders, and frequent bombings were reported in the city. An unusual

dry spell compelled serious water shortages at the same time, making the situation even more confusing.

The second period of confusion was a period between September 1982 to December 1984 when rounds of negotiations related to the return of Hong Kong to China were conducted between Margaret Thatcher and Deng Xiaoping.

The negotiations became so entangled that once all of Hong Kong was in untenable confusion at the rumor that the Chinese Peoples Liberation Army threatened to launch an armed attack on the colony.

The China-British talks decided that the United Kingdom will revert Hong Kong to China as of 1 July 1997 and that China will let Hong Kong retain its system for 50 years after its reversion. Thus confusion ended in Hong Kong.

During the negotiations; however, a number of rich echelon Hong Kong residents who abhor China sought refuge in Canada or New Zealand, thus afflicting serious effects to the Hong Kong society.

Floods of Hong Kong Refugees Expected To Surge Over Japan

In view of the current unpredictable movement of the Chinese military force including repeated nuclear tests and military exercises across the Taiwan Strait, possibilities are very high that Hong Kong may experience a third round of confusion after 30 June 1997 when the British lease of Hong Kong comes to an end.

Confusion will be limited to the minimum, if China observes the "50-year agreement" that was agreed upon by Thatcher and Deng Xiaoping after a series of China-British negotiations. It is hardly conceivable, however, that China will adhere to the agreement, in view of the present situation in which military power prevails in China.

The third round of confusion in Hong Kong is expected to render Hong Kong itself and its neighboring countries with the following three conditions.

The first is an increase in those fleeing and seeking asylum by residents who detest that Hong Kong is being reverted to China.

About three years ago, I had an opportunity to meet the director of the British intelligence organization MI5, which has since pulled out of Hong Kong. He pointed out as follows:

"Out of the present population of six million people in Hong Kong, already 500,000 rich echelon citizens hold citizenship of other countries, like Canada. It is sort of like buying insurance. In case of Chinese violation

of the 50-year agreement, these 500,000 people will immediately leave Hong Kong.

"In the first place, a multitude of Hong Kong residents had escaped China because they disliked the Chinese political system. There will be people who attempt to escape again from Hong Kong when it goes back to China. Nearly a million people are presumed to dislike the control by the Communist regime of China.

"Furthermore, the number of escapees from Hong Kong will increase, if China's Public Security Department comes into Hong Kong after the reversion and begins mass arrests of those sympathizers of 'antiestablishment force' of the Tiananmen incident in 1989. Their expected destinations are Taiwan, the ROK, Singapore and Japan. Among them, Japan may be the highest possible destination because of its domestic stability."

The mass exodus of Hong Kong residents he pointed out will present a serious problem to Japan. To begin with, those who flee from Hong Kong without possessing passports will have choices after legally entering Japan either continue to stay illegally or ask for asylum. On top of it, they are different from simple boat people. What will the Japanese government do, if they start to insist that "when forcibly deported to Hong Kong, we will be arrested by the Chinese authorities as collaborators of the Tiananmen incident?" "Because that has to do with our lives, we want to be treated as political refugees."

The Chinese government will no doubt demand they be immediately sent back. If that demand were met, it would constitute an international problem of human rights. In other words, the Japanese government will confront entirely heterogeneous refugee problem as yet.

Future of "China-Taiwan Issue" Depends On Hong Kong Reversion Experiment

The second effect of the confusion is Taiwan's rising caution on the heels of Hong Kong's reversion to China. It is because Taiwan is most anxious about the future development of Hong Kong after its return to China.

To China what Taiwan presently calls for is "two Chinas," that is the recognition of one nation with two government systems and if it is recognized Taiwan will not dare stage an independence movement. For Taiwan that makes such demands, the Chinese attitude toward post-reverted Hong Kong will present good example for judgment in the case of "China-Taiwan issue." As long as China observes the "50-year agreement," Taiwan will continue to maintain the current status quo. But in case that Chinese public security authorities start to round up antiestablishment people in Hong Kong on grounds that they supported the Tiananmen incident, Taiwan will

stiffen its attitude that "the Chinese government will execute us all as soon as it unified Taiwan" and will resist China to the end by making F-16 and Mirage fighters at the ready starting next year.

This way, the Hong Kong issue is directly connected to two-Chinas problem and the problem between Beijing and Taipei.

The Day Hong Kong Turns Into Major Arena For Intelligence War

The third effect of the confusion is intensified war of intelligence in Hong Kong.

When I served in Hong Kong, the relationship between the United Kingdom and China was extremely good. Thus, British MI5's most powerful antagonist was a special intelligence agency of Taiwan's Kuomintang government. Taiwan's secret agents were feared to stage sabotage to disrupt public security in Hong Kong and to spread that effect to Britain. Therefore, the United Kingdom conducted thorough and complete intelligence activities against Taiwan's intelligence agency. Although it may be hard to believe now, the most important target of intelligence gathering and surveillance of the British intelligence agency at that time was the Central Intelligence Agency of the United States that was on friendly terms with Taiwan and the Japanese who are on friendly terms with Americans.

As soon as the Great Cultural Revolution started in China and riots took place in Hong Kong, relations of intelligence agencies among countries abruptly changed. China became the common enemy and Western nations including Japan were united. As a result, the British intelligence agency, which had continued surveillance over the Japanese, began to cooperate with us.

As the storm of the Great Cultural Revolution subsided and Deng Xiaoping's reform and open-door policy made progress, intelligence war in Hong Kong became less intensive. It was because that China started to make information public, thus diminishing the need for espionage agents.

But, when Chief of State Jiang Zemin loses his political influence, the power shifts to the Liberation Army and information shutout becomes apparent in Hong Kong after its return to China, ordinary foreigners staying in Hong Kong for either professional reasons or on travel will be greatly affected. When Hong Kong is reverted to China after the British withdrawal, foreign journalists and businessmen including those from Japan have to directly face with Chinese public security authorities. For instance, it is highly conceivable that China takes such an attitude that it will not recognize freedom of thought and press in dealing with foreign mass media

stationed in Hong Kong. During the Cultural Revolution period China either arrested or expelled journalists who had made critical reporting and it is undeniable that that kind of characteristics may revive in post-reverted Hong Kong. Furthermore, such an unpleasant cases may take place that Japanese newspapermen or businessmen might be arrested on charges of espionage activities, when U.S.-China relations get worse than the present.

Demand for espionage agents may increase when information shutout in China and Hong Kong is escalated.

In connection with "China-Taiwan issue," Taiwan's intelligence agency with mounting concern and interest in post-reverted Hong Kong are expected to revive activities as lively as in the year of 1967 to gather information about China and Hong Kong. The CIA is also expected to reopen brisk intelligence activities for the United States that covets information about China. In short, intelligence war will intensify between China and Taiwan and between China and the United States.

Which side Japan will take is the problem. The Japanese government may want to be in good terms with both sides, but the reality would not allow it. On the heels of the mass "exodus of political refugees," the Japanese government may confront another difficult problem here.

The biggest worry that I have now is nothing other than the fact that the military is gaining power in China. If the situation is such that the government leaders headed by Jiang Zemin are unable to restrain the military, it is likely that the Chinese side will take considerably tough attitude toward Hong Kong in order to remove factors contributing to instability. Then it is impossible to deny such possibility that Hong Kong will become a gigantic ruin, after all the capitals flee and no tourists are visiting there any more.

Japan: Researcher Interviewed on Current DPRK Situation

OW1104083396 Tokyo MAINICHI SHIMBUN
(Morning Edition) in Japanese 9 Apr 96 p 3

[Interview with Shinya Nagai, acting director of the Japan Institute of International Affairs, by Haruyuki Egawa and Kaori Onaka on 8 March; place not given; first paragraph is MAINICHI SHIMBUN introduction]

[FBIS Translated Text] At the invitation of the Disarmament and Peace Institute [DPI] of the DPRK (North Korea), Acting Director Shinya Nagai of the "Japan Institute of International Affairs," an organ affiliated with the Ministry of Foreign Affairs, visited the DPRK 23-30 March. Acting Director Nagai granted an interview

with MAINICHI SHIMBUN on 8 April and disclosed the current situation in North Korea.

[Reporter] On what issues did you consult with the DPI?

[Nagai] We wanted to listen to their views on such issues as energy, food, and economy, but we failed to obtain definite answers to certain questions. However, they frankly admitted that they are in economic difficulties, and they stated that in politics, "stability is maintained under Secretary Kim Jong-il (of the Workers Party of Korea [WPK])."

[Reporter] How about the situation at Panmunjong?

[Nagai] We visited Panmunjong on 26 March. There was some tension, with the two sides watching each other; but as far as we could see, there were no military moves. A lieutenant colonel we met at the site stated that "there is a growing military tension," and that "Secretary Kim Jong-il has frequently visited the front line."

[Reporter] Did you talk over their relations with the United States?

[Nagai] North Korea speaks highly of the Korean Peninsula Energy Development Organization (KEDO), saying that "a certain success has been achieved." On the other hand, however, they also said: "Military tension is growing, particularly in the South (the ROK). The South has conducted joint exercises with the United States, and Japan has sometimes joined in the exercises. Since they are hostile to North Korea, we have to consider taking some countermeasures." In connection with the proposal for concluding a provisional agreement between the DPRK and the United States to replace the armistice agreement, they indicated their view that "conclusion of such an agreement will contribute to stability in Northeast Asia."

[Reporter] Did they give you any explanation of the vice defense minister's remarks on "taking hard-line measures" against the ROK?

[Nagai] On the eve of the announcement (on 28 March), we were told that "a new announcement will be made the following day," and they handed us a sheet of paper (with the vice defense minister's remarks on it). Later on, no strict restrictions were imposed on our actions, nor did we notice any unusual military movement.

[Reporter] How about the economic situation?

[Nagai] In Pyongyang, we experienced power outages on several occasions, and we did not notice any neon signs. We went to Panmunjong via freeways, but no lights were turned on in tunnels. We felt that they must be short of energy.

[Reporter] How about their reactions to the issue of resuming talks on normalizing diplomatic relations with Japan?

[Nagai] They say that "normalization of relations will contribute to peace and stability on the Korean peninsula."

[Reporter] Was your recent visit intended to pave the way for resuming talks on normalizing relations?

[Nagai] In a broader sense.... [ellipsis as published] They must be of the opinion that they should have an extensive knowledge about Japan's opinions. However, we did not hold talks as representatives of our respective governments.

Japan: MITI Official 'Positive' on Private-Sector Chip Talks

OW1104091996 Tokyo KYODO in English
0907 GMT 11 Apr 96

[FBIS Transcribed Text] Tokyo, April 11 KYODO — The vice minister of international trade and industry gave a positive assessment Thursday [11 April] of industrial partnership negotiations between Japanese and U.S. semiconductor makers, which are going on amid a standoff over the Japan-U.S. microchip agreement.

"It is meaningful from the standpoint of Japanese and U.S. economic progress for private sectors of the two countries to push their respective positions for discussion," Tomio Tsutsumi said at a news conference.

Japan has been refusing a U.S. call for renewing the bilateral accord expiring July 31, saying the pact has served its purpose, with foreign semiconductors accounting for more than 20 percent of the Japanese market targeted by Washington.

Semiconductors are one of the three remaining bilateral trade areas in which the United States is urging progress before president Bill Clinton visits Japan next week. The other two trade issues are insurance and photographic film.

Japanese and U.S. semiconductor industry representatives will meet in Hawaii on April 26 to negotiate private-sector cooperation, which the two governments could use to break the impasse.

Meanwhile, Tsutsumi was negative about some Japanese Government officials' idea of creating a panel within the Organization for Economic Cooperation and Development (OECD) to discuss what the semiconductor market should look like.

Tsutsumi said that personally he finds the OECD is too large as a forum for semiconductor discussion.

On the agenda of Wednesday's summit between Prime Minister Ryutaro Hashimoto and Clinton, Tsutsumi said, "final talks are not over yet." But he predicted individual trade issues are unlikely to carry much weight.

Japan: MITI Official: No Change on Semiconductor Stance

OW1004132996 Tokyo KYODO in English
1241 GMT 10 Apr 96

[FBIS Transcribed Text] Tokyo, April 10 KYODO — Japan's stance on the semiconductor pact with the United States will remain unchanged as Tokyo does not seek any government commitments after the current pact expires, a senior official at the Ministry of International Trade and Industry (MITI) said Wednesday [10 April].

The official was responding to a reported comment made by Kunihiro Saito, the Japanese ambassador to the U.S., at a press conference in Washington on Tuesday.

Saito was quoted by some of the media as saying Japan would "endorse" an agreement between U.S. and Japanese semiconductor manufacturers if reached.

The official said MITI understands that what Saito really meant was simply it would be fine if any private-level agreement were to be reached, and if there were to be an agreement, the Japanese government would support it.

"I confirmed the view with the Finance Ministry," said the official who wished to remain anonymous.

"I understand that both the Japanese and the U.S. governments are taking the similar wait-and-see approach to the outcome of the private-level negotiations," he said, referring to discussions between the two countries' chip businesses, scheduled for April 26 in Hawaii.

The comments suggest that the governments of the two countries will not seek a political resolution on the issue before president Bill Clinton's visit to Japan on April 16-18.

The 1991 Japan-U.S. agreement on semiconductors, aimed at keeping the foreign share of the Japanese market above 20 percent, is due to expire at the end of July.

Japan has rejected U.S. pressure to renew the governmental trade pact, claiming the foreign share has exceeded the target figure.

Japanese industry says it is ready to cooperate for further expansion of foreign market share, while the U.S. industry calls for a new pact, noting a renewal will prevent a recurrence of friction over semiconductor trade between the two countries.

Japan: Hashimoto Interested in Reconnaissance Satellites

OW1004140896 Tokyo NIHON KEIZAI SHIMBUN
(Morning Edition) in Japanese 10 Apr 96 p 2

[FBIS Translated Text] At the plenary session of the House of Representatives on 9 April, Prime Minister Ryutaro Hashimoto commented on the introduction of reconnaissance satellites to reinforce the Defense Agency's information gathering capability.

Although he explained that "right now, there are no plans to own such satellites," he indicated that "reconnaissance satellites are effective means of information gathering. Since enhancement of various aspects of information gathering is extremely important for Japan, which adopts a purely defense-oriented policy, I do have an interest in these satellites."

This was in reply to a question from Masao Akamatsu of the New Frontier Party.

Japan: Yamasaki: Security Issue Unlikely To Cause Regrouping

OW1104090496 Tokyo NIHON KEIZAI SHIMBUN
(Morning Edition) in Japanese 11 Apr 96 p 2

[FBIS Translated Text] Taku Yamasaki, chairman of the Liberal Democratic Party (LDP) Policy Research Council, delivered a lecture in Tokyo on 10 April and commented on the idea proposed by Ichiro Ozawa, president of the New Frontier Party (NFP) of allowing Japan to exercise the right of collective security by altering the existing interpretation of the Constitution. He said: "Since the NFP is led by President Ichiro Ozawa, half of the members will remain in the party with him. I do not see anyone from the Social Democratic Party or Sakigake [Harbinger] supporting such an idea. I admit that half of the LDP members will go along with that idea." Yamasaki then indicated his view that security issues will not lead to further regrouping of political parties, saying: "Half of the members from the NFP and half of the members from the LDP combined are not enough to gain a majority in the Diet. It will be extremely difficult to form a new group when there is no possibility for that group to gain hold of the reins of the government."

Japan: Text of LDP Proposal on Security Alliance Published

OW1104084996 (Internet) Japanese Liberal Democratic Party WWW in English 9 Apr 96

[Proposal by the Security Research Council of the Liberal Democratic Party's Policy Research Council dated March 1996: "The Current Importance of the

Japan-U.S. Security Arrangements"; from the "What's New" link]

[FBIS Transcribed Text] Introduction

The Security Research Council (SRC) was established to examine national security policies from the view point of defense and to offer broad policy proposals.

Today, when the significance of Japan-U.S. Security Arrangements is in question in the ever changing "post Cold War" international arena, Prime Minister Hashimoto and President Clinton will join one another at a summit meeting to be held in Japan in April, 1996.

It is necessary to reconfirm that the Japan-U.S. relationship is the most important bilateral relationship not only to Japan but to the world, and that it forms the cornerstone for peace and stability in the Asia Pacific region as well as globally. It is especially important that both governments publish a joint document related to security, which confirms the common perception of each nation and the significance of security arrangements between them, and reinforces their broad cooperation.

This proposal is intended to be the initial step to reconfirming Japan-U.S. arrangements at the upcoming summit meeting. In the future the SRC will select study themes concerning Japan's general security policy, and continue to study, examine, and occasionally draft policy proposals.

The SRC committee has had eleven vigorous meetings since February 8th, and drafted this proposal. "The Current Importance of the Japan-U.S. Security Arrangements" as follows:

I. Recognition of International Military Situations

(a) Most Recent International Situation

With the end of the Cold War, the possibility of a global armed conflict has become remote, but confrontations due to religious and ethnic discord have come to the surface increasing the risk that regional conflicts may occur or expand. Under such circumstances, various efforts to further stabilize international relations, such as prevention of proliferation of weapons of mass destruction, must be continued.

(b) Situations of Our Neighboring Region

Many countries have been modernizing their military capabilities in the regions surrounding Japan following the end of the Cold War. There exist numerous issues such as those related to the Korean Peninsula, the Spratly Islands, and Japan's Northern Territories. In some aspects, unpredictability and uncertainty are increasing in the region.

- In the Korean Peninsula, military tensions have continued between North and South. North Korea's suspected nuclear development and its research and development on lengthening the range of ballistic missiles are a destabilizing factor not only to the area surrounding Japan, but to the entire international community. Moreover, North Korea continues its efforts to modernize and strengthen its military capability by allocating a large percentage of national resources to this end, in spite of suffering from serious economic downturns and agricultural failures.

- China continues to modernize and strengthen its military capability. It has conducted nuclear tests despite the international trend to conclude the Comprehensive Nuclear Test Ban Treaty, and has conducted missile launch exercises near Taiwan. Such military activities may affect the security of Japan. Moreover, China has stepped up its operational stations on the Spratly Islands over which territorial disputes exist among neighboring nations. - The military activity of Russian forces in the Far East has become low-key compared with that of the Cold War era, but the continuing modernization of their equipment goes forward. Considering Russia's unstable and changing domestic political situation, Japan needs to continue to observe Russia's military development.

- Such countries as the ASEAN members have been increasing their defense expenditure and modernizing their military capabilities through the introduction of new equipment backed by economic development. Disputes still exist among related nations on the territorial rights of the Spratly Islands.

(c) International Military Situations and Japan-U.S. Security Arrangement

As mentioned, following the end of the Cold War, unpredictability and uncertainty have been increasing in the military situations surrounding Japan. Under such circumstances, it is necessary to promote mutual confidence building, but it is hardly feasible that an Asia-Pacific multi-national security framework will be formulated soon. In such uncertain global times, the United States, as sole superpower, contributes to the world's peace and stability. The cooperative relationship between Japan and the United States, based on the Japan-U.S. Security Arrangements, continues to play a key role for all in the international community, by securing and ensuring the engagement of the United States and its military deployment in the Asia Pacific region.

II. Current Importance of Japan-U.S. Security Arrangement

From the above outlined perspective of the international military situation, the Japan-U.S. Security Arrangement continues to play most significant roles as follows:

(a) Its Indispensability for the Security of Japan

It has become indispensable to Japan's security to have a strong Japan-U.S. Security Arrangements due to the unpredictability and uncertainty of its part of the world. For the United States, threat has been dramatically decreased since the end of the U.S.-USSR confrontations.

Today, when internationalization has been advanced and modern weapons including nuclear arms have been developed, it is impossible for Japan to stand alone in defense of itself. It is essential, therefore, to maintain the Japan-U.S. Security Arrangement as an integral part of Japan's defense policy, which has been in accordance with the fundamental principles set forth under Japan's Constitution following the end of World War II:

- (1) maintaining an exclusive defense-oriented policy
- (2) not becoming a military power posing a threat to other countries
- (3) adhering to the three non-nuclear principles.

Furthermore, a collective security mechanism under the jurisdiction of the United Nations has not been completely established today, and it is critically important for Japan to ensure its security by maintaining its alliance with the United States, a country positioned to influence and stabilize international relations, while Japan continues to share in the values of freedom and democracy, as well as vital national interests.

(b) Its Indispensability for the peace and Stability in the Far East and Asia Pacific

It is most important to Japan to see that peace and stability is maintained in its region of the world to ensure its own security. Article Six of the Japan-U.S. Security Treaty allows U.S. forces to be stationed in Japan for the purpose of contributing to the security of Japan and to maintaining international peace and security in the Far East. It should be reiterated that today's importance of the Japan-U.S. Security Arrangements is that the Arrangement is the cornerstone for peace and stability not only for both countries, but also for the Asia Pacific region and the world. The Japan-U.S. Security Arrangements should be based on the understanding and cooperation of both the Japanese and American people. It is necessary to continue efforts to promote further understanding and both the United States and Japan, each

from their own perspective, should value and support the Arrangement.

(c) As the Foundation of Japan-U.S. Relations and Its Indispensability for Japanese Diplomacy

Although security is the core subject of the Japan-U.S. Security Arrangements, the by-product of such a relationship is the political and economic cooperation which ensues, as well as cooperation and promotion of such international activities as the United Nations. In today's international community, interdependence among nations intensifies not only because of security matters but also because of economic and social challenges which require mutual cooperation.

The U.S. and Japan share 40% of the world GDP. This economic measure underscores the need for cooperation and broad diplomatic activity. Japan, in particular, is determined to further promote mutual trust with its neighbors through this dialogue and make an effort, for the future, to build a multilateral security structure in the region having the agreement as its core.

III. Policy to Be Implemented for an Improvement of the Level of Trust in Japan-U.S. Security Arrangement

As mentioned above, it is imperative to make an effort to improve the level of trust for the Japan-U.S. Security Arrangements, which holds serious importance, and therefore should not be merely propagandized but worked on with serious effort.

(a) Response to the Issue of U.S. Forces Stationed in Japan

It is an obligation for Japan to facilitate the smooth and effective stationing of U.S. forces in Japan, for they are the foundation of the Japan-U.S. Security Arrangements. It is vitally important to promote people's understanding of the importance of having American forces stationed in Japan, not only for the benefit of Japan's security, but also for the peace and security of the Asia Pacific region as a whole. It is essential to create a harmonious and receptive atmosphere for the U.S. bases and their neighboring areas by positively implementing such measures as improvement of living environments as for example the Self Defense Forces bases. Moreover, such efforts as Host Nations Support (HNS) based on the new Special Agreement should be implemented. With respect to the issue of U.S. military bases in Okinawa, the entire matter should be dealt with seriously and the entire nation should be involved with considering appropriate solutions. Efforts should be made to consolidate, realign, and reduce U.S. military facilities and areas, consistent

with the objectives of the Japan-U.S. Security Arrangements, while paying attention to the long-time requests and feelings of the people of Okinawa, where U.S. military facilities are highly concentrated. It is most important that such steps to improve the living environment be implemented smoothly, that the government take comprehensive measures including financial ones, in order to secure the cooperation of the Prefecture government and other municipal governments. The LDP party will take positive measures to relocate the live fire training across Prefecture Road 104 to various other locations on the mainland, while the Status Forces Agreement will be promptly improved so that both parties can be satisfied.

(b) Active Promotion of Japan-U.S. Cooperation in Defense Matters

In order to increase the level of trust in the Japan-U.S. Security Agreements and make it function effectively, it is vital to promote cooperation in the various fields of defense. A particular effort should be directed to promote further exchange of information, and policy consultation focusing on the views of specific region. Further, ACSA (a framework to facilitate the supplies to U.S. forces) should be established. Active implementation of joint training, joint development and production of defense equipment to improve compatibility of U.S. and Japan systems and thus help economize efficiency, smooth transition to the mass production of the F-2, and efforts for the further development of the BMD (Ballistic Missile Defense).

Considering the unpredictability and uncertainty of the region that surrounds Japan, it is imperative to reexamine appropriate and concrete responding measures following the Constitution, relevant laws and regulations in case of an emergency which seriously affects the peace and security in neighboring regions; for example, the rescue of refugees, the rescue of Japanese nationals overseas, the appropriate response and assistance to U.S. forces, review and special attention to the smooth and effective implementation of the Japan-U.S. Security Arrangement and appropriate cooperation with the United Nations.

The following basic postures of mutual cooperation are prescribed in the Guideline for Japan-U.S. Defense Cooperation in 1978:

1) Posture for deterring aggression 2) Actions in response to an arms attack against Japan 3) Japan-U.S. cooperation in the case of situations which will affect Japan's security from outside

Positive effort should be made to upgrade and update the contents of the guideline created for Japan-U.S. defense

cooperation so as to keep it consistent with the times in which it is to be followed, and consistent with current international conditions and development of Japan-U.S. security relations.

(c) Organizing and Strengthening Japan-U.S. Cooperation in Defense Matters

In order to make Japan-U.S. bilateral defense cooperation (including those cases for emergency) stronger, we need to determine the policy of various issues and their implementation. To that end, SRC shall discuss and examine the posture of Japan-U.S. Defense Cooperation including collective defense rights, and the review and organization of legal framework, so that Japan can strengthen its ability to respond appropriately.

Japan: LDP's Kato Agrees To Testify Over Donation Allegation

OW1104035596 Tokyo KYODO in English
0337 GMT 11 Apr 96

[FBIS Transcribed Text] Tokyo, April 11 KYODO — Koichi Kato, secretary general of the Liberal Democratic Party (LDP), said Thursday [11 April] he is prepared to testify about his alleged receipt of a 10 million yen donation in 1990 from the now-defunct steel frame maker Kyowa Co., a major debtor of one of the seven failed housing loan companies.

Kato made the statement at a meeting of senior LDP officials, party officials said.

He said he will testify in parliament either as a sworn or unsworn witness over his alleged receipt. He did not elaborate, the officials said.

Japan: Former Defense Agency Head Urges Upgrade to Ministry

OW1104110496 Tokyo KYODO in English
1000 GMT 11 Apr 96

[FBIS Transcribed Text] Tokyo, April 11 KYODO — The Defense Agency should be upgraded to the more powerful government ministry level to enable the nation to formulate better security policies, a senior opposition party official said Thursday [11 April].

"The Defense Agency should be upgraded to a defense ministry or national defense ministry," Kazuo Aichi, chairman of the Policy Research Council of the main opposition Shinshinto (New Frontier Party) told the Japan National Press Club.

At present, the Defense Agency is a body within the Prime Minister's Office, which has the Self-Defense Forces under its jurisdiction.

A former director general of the Defense Agency, Aichi also said Tokyo urgently needs to study contingency plans for emergencies in east Asia within the scope of the Japan-U.S. security arrangements.

Japan: Article Views Splits Plaguing Political Parties

OW1104105596 Tokyo *ECONOMISUTO* in Japanese
16 Apr 96 p 20 [date as received]

[Article by Keizo Nakamura, MAINICHI SHIMBUN editorial writer: "Changing Alignment of Political Parties Leaps Over Party Boundaries"]

[FBIS Translated Text] We cannot put hard, big stones into concrete to make it solid. Conversely, fine sand alone does not make solid concrete. It is said that the secret of making good concrete is to break big rocks into proper-sized pieces and mix them with gravel and sand.

Interest is apt to be drawn to a new form of political alignment that began with the Liberal Democratic Party's (LDP) breakup. However, a new political alignment may be just at the stage where gravel is being made. The political world's subdivision has been further accelerated since before the inauguration of the Ryutaro Hashimoto administration.

The subdivision first occurred in Shinshinto (New Frontier Party). The rift between supporters of Ichiro Ozawa, who became Shinshinto head last year, and anti-Ozawa people who rallied to former Prime Minister Tsutomu Hata has become almost unsurmountable.

In addition to an unpleasant feeling the two sides felt after the party head's election, the friction between them concerning the handling of the *jusen* [housing loan companies] issue in the Diet has intensified. If the anti-Ozawa group only opposes Shinshinto's executive organ in a body, that is merely a confrontation between mainstream and antimainstream groups that many political parties have already experienced. However, this confrontation is quite different from past ones in that both groups are looking for partners to affiliate with from outside Shinshinto.

Tsutomu Hata is actively establishing contact with the executive organ of the LDP, as well as Sakigake (Harbinger). Former Prime Minister Morihiro Hosokawa, a member of the same anti-Ozawa group, is groping for an affiliation with the LDP's Junichiro Koizumi, former minister of posts and telecommunications, as well as Sakigake's Shusei Tanaka, director general of the Economic Planning Agency. And Hajime Funada, former director general of the Economic Plan-

ning Agency, is aiming at a union with Hiroyuki Sonoda, Sakigake vice leader; Yukio Hatoyama, Sakigake secretary general; and other younger members.

The Social Democratic Party's (SDP) situation after the resignation of its head, Tomiichi Murayama, as prime minister is the same. Aiming at affiliating with Sakigake, party head Tomiichi Murayama is cultivating a reliable relationship with former Finance Minister Masayoshi Takemura. Osamu Yatabe and others bolted from the SDPJ and have begun independent activities. Former Policy Board Chairman Nobuyuki Sekiyama, an SDPJ right-winger, and others are maintaining close contact with former Chairman Sadao Yamahana. In addition, affiliation with Hajime Funada and Yukio Hatoyama is within this group's vision. Former Deputy Secretary General Masanori Goto and others are groping for an affiliation with YKK: LDP Secretary General Koichi Kato, Taku Yamasaki, and Junichiro Koizumi.

It is safe to say that even in Sakigake, which has boasted of comradely unity, a rift is growing between Sakigake leader Masayoshi Takemura, who attaches great importance to the relationship with the SDPJ, and Yukio Hatoyama, who is thinking of a third political force with a conservative force as the center.

Even in the LDP, there is growing veiled enmity between the LDP's executive members — Koichi Kato, secretary general; Shizuka Kamei, chairman of the Organization and Public Relations Headquarters; and Hiromu Nonaka, acting secretary general — and Seiroku Kajiyama, chief cabinet secretary, and Yasuhiro Nakasone, former prime minister, who are groping for a conservative-conservative coalition with Ichiro Ozawa, the Shinshinto head.

It is said that the next election under the new single seat constituency election system will determine power relations among political parties for the next 10 years. It is thought that no political party can hold a majority as of now, so political realignment is inevitable after the election. The intention to widen human relations as much as possible in preparation for changing alignment of political parties has triggered the establishment of various political contacts.

One of the reasons for the confusion of the "*jusen*" Diet, where each party has come to a deadlock, is these intentions of legislators and a rift in each party. The confusion in the Diet has accelerated changing alignment of political parties and is producing a state of nongraviton.

However, to harden gravel, cement called ideas and policies, i.e., adhesives, are needed. Although rocks have been broken into pieces, discussion to solidify

them is on the decline. This is a characteristic of the Diet paralyzed by the "jusen" issue.

Japan: Ogawa Urges Early Creation of Debt-Collecting Body

OW1104110396 Tokyo KYODO in English
1017 GMT 11 Apr 96

[FBIS Transcribed Text] Tokyo, April 11 KYODO — Vice Finance Minister Tadashi Ogawa called Thursday [11 April] for early Diet passage of a bill aimed at creating a debt-collecting body following the liquidation of seven failed "jusen" mortgage companies.

"It is desirable to start operations as early as possible to recover loans made by the companies," Ogawa said at a news conference.

Since land prices are continuing to fall, there is a possibility that a delay in asset-recovering activities will lead to a rise in losses that could emerge in the process of recovering money by selling land offered as collateral.

Under a government-brokered scheme, the seven mortgage companies, which are now virtually bankrupt due to huge bad loans, will be liquidated with the help of taxpayers' money, and their loans and other assets will be taken over by the new body.

Commenting on the accord between the ruling and opposition parties on an amendment to the government's fiscal 1996 budget plan, meanwhile, Ogawa said the step is inevitable, given the amendment resulted from "sincere debate" between the two sides.

The ruling and opposition parties agreed Wednesday night to pass a fiscal 1996 budget which includes the controversial use of 685 billion yen for the liquidation scheme after adding a provision to the budget which says the tax money should be used only after the groundwork for the liquidation scheme is established.

The budget was passed in the House of Representatives on Thursday.

The accord does not refer to the specific contents of the groundwork, but parliamentary sources said the provision means the tax money will be introduced after Diet approval of several financial bills for a healthier financial system, including a bill for the creation of the debt-collecting body.

The government compiled a 50-day stopgap budget because Diet debate on the full fiscal 1996 budget stalled due to the confrontation between the ruling and opposition parties over the use of tax money for the mortgage company liquidation scheme.

Japan: House of Representatives Passes FY96 Budget

OW1104100496 Tokyo KYODO in English
0935 GMT 11 Apr 96

[FBIS Transcribed Text] Tokyo, April 11 KYODO — The House of Representatives on Thursday [11 April] approved a 75.1 trillion yen state budget for fiscal 1996 containing a controversial outlay for the liquidation of insolvent "jusen" housing loan companies.

The lower house passed the budget for the new fiscal year, which began April 1, by a majority vote with the support of members of the tripartite ruling coalition.

The action followed approval earlier in the day by the budget committee of the lower chamber based on an overnight agreement between the coalition and the main opposition party, Shinshinto (New Frontier Party).

The two sides agreed late Wednesday to temporarily suspend the 685 billion yen appropriation designed to wind up the seven failed mortgage companies.

Nonetheless, Shinshinto, which spearheaded efforts to scrap the liquidation plan, and the Japanese Communist Party voted against the budget in the lower house plenary session.

Under the compromise, proposed by the coalition of the Liberal Democratic Party (LDP), the Social Democratic Party and New Party Sakigake (Harbinger), a passage was added to a package of budget bills saying the "jusen" outlay will be spent only after "a (liquidation) system has been established."

But it does not specify the measure, setting the stage for further controversy.

The coalition-opposition confrontation over the "jusen" budget is, however, expected to fizzle out because the entire budget will automatically become law May 10 — 30 days after its passage through the lower chamber.

The budget was passed 72 days after the budget committee started its deliberations, which were dominated by the dispute over whether taxpayers' money should be used to liquidate the failed companies.

Shinshinto had tried to force the government to abandon the plan by cordoning off the committee room in the Diet with sit-ins for a period of three weeks last month.

The party had demanded that LDP Secretary General Koichi Kato give sworn testimony over allegations that he accepted political donations from a "jusen" borrower.

In the deal reached behind closed doors, the coalition and opposition sides agreed that the question of summoning Kato and other witnesses will be handled by a

special lower house committee to be established later to discuss various issues associated with financial institutions.

Japan: Budget To Pass Lower House; 'Jusen' Plan Frozen

OW1004161196 Tokyo KYODO in English
1550 GMT 10 Apr 96

[FBIS Transcribed Text] Tokyo, April 10 KYODO — The fiscal 1996 budget will pass the House of Representatives on Thursday [11 April] as the ruling coalition and the main opposition party Shinshinto agreed Wednesday to virtually freeze the expenditure of 685 billion yen to liquidate seven failed "jusen" housing loan companies, political parties said.

The budget will clear the budget committee and a lower house plenum Thursday and be sent immediately to the House of Councillors, they said.

Ruling-opposition confrontation over the budget will peak out because the budget will, under constitutional rules, become law in 30 days after passage through the lower chamber.

The ruling bloc of the Liberal Democratic Party (LDP), the Social Democratic Party (SDP) and New Party Sakigake [Harbinger], reached the accord with Shinshinto (New Frontier Party) at a meeting of officials in charge of Diet affairs, party sources said.

In a compromise plan, the coalition proposed that the budget include a passage saying the jusen outlay will be spent only after necessary measures have been taken. But the proposal did not specify the necessary measures.

Political sources said the compromise could mean, for the ruling camp, that the expenditure would be frozen only until bills to implement the jusen scheme become law. For Shinshinto, it could mean that passage would require further measures to be discussed.

The two sides nearly reached an accord in the evening through unofficial consultations.

But formal accord was delayed until midnight after Shinshinto executives expressed dissatisfaction with the compromise because it does account for the removal of the 685 billion yen provision from the 75.1 trillion yen budget for fiscal 1996, which began April 1, as they have demanded.

The accord also calls for the creation of a new special Diet committee to discuss the jusen issue.

The agreement also provides that both sides will continue discussing in the Diet a Shinshinto demand to have LDP Secretary General Koichi Kato testify in parlia-

ment as a sworn witness over his alleged receipt of a 10 million yen donation in 1990 from the now-defunct steel frame maker Kyowa Co., a major debtor of one of the seven jusen companies.

Shinshinto Diet Affairs Chief Takeo Nishioka told reporters his party will vote against the revision of the budget and the revised budget.

The coalition parties and the government have hoped the budget will clear the lower house before U.S. President Bill Clinton's April 16-18 state visit to Japan.

Shinshinto's protests over the jusen issue, including a three-day sit-in in front of the budget committee room in the lower house in March, have forced Prime Minister Ryutaro Hashimoto's government to compile a 50-day stopgap budget.

Japan: MOF: Latest Accord Will Not Affect 'Jusen' Framework

OW1104002996 Tokyo KYODO in English
0005 GMT 11 Apr 96

[FBIS Transcribed Text] Tokyo, April 11 KYODO — The latest accord between the ruling coalition and the opposition camp over the controversial use of public funds to help liquidate failed "jusen" housing loan companies will not lead to any revision of the scheme's basic framework, Ministry of Finance (MOF) sources said Thursday [11 April].

The government's jusen scheme crafted at the end of last year calls for the use of 685 billion yen in the fiscal 1996 state budget to help liquidate the seven failed jusen companies.

The three-party ruling coalition and the main opposition Shinshinto (New Frontier Party) agreed Wednesday night to include in the budget's general rules section a phrase which says that the jusen outlay will be spent only after a necessary framework to make the entire jusen scheme operative is established.

The proposal did not specify the necessary framework.

The pact can be seen as indicating virtual agreement on freezing the 685 billion yen use of taxpayers' money.

Political observers said the ruling coalition can argue the expenditure will be frozen only until bills to implement the jusen scheme become law, while Shinshinto can say the phrase would require further measures to be discussed.

The Finance Ministry sources said the necessary framework referred to in the phrase should be read as "a framework as envisaged in the jusen liquidation bills."

The bills call for the establishment of a new entity to inherit and recover problem loans held by the seven mortgage companies after their liquidation and the use of taxpayers' money to cover any losses that may emerge in the recovery process.

Japan: More on MOF Official Discussing Latest 'Jusen' Accord

OW1104054596 Tokyo KYODO in English
0410 GMT 11 Apr 96

[FBIS Transcribed Text] Tokyo, April 11 KYODO — A senior official of the Ministry of Finance (MOF) said Thursday [11 April] the accord between the ruling and opposition parties to amend the fiscal 1996 budget bill does not lead to any change in the government's plan to dissolve failed "jusen" mortgage companies.

If the budget bill, which includes 685 billion yen in taxpayers' money for the jusen liquidation scheme, does not pass the Diet, the dissolution of the housing loan companies will not get on track, said the official of the ministry's banking bureau.

In this sense, the ruling-opposition accord marks "a major step forward," the official said.

The three-party ruling coalition and the main opposition Shinshinto (New Frontier Party) agreed Wednesday night to pass the budget bill for fiscal 1996, which started April 1.

The accord calls for adding to the budget bill's general rules a provision which says the tax money should be spent only after a necessary framework to make the entire housing loan company scheme operative is established.

The official said the ministry has no pessimistic view on the liquidation scheme's future since the provision does not include such wording as the removal of the mortgage company spending.

Another ministry official, however, expressed concerns over the adverse effects of a delay in the mortgage companies' liquidation, saying the scheme should be implemented as early as possible.

If land prices continue to fall, the ministry may be forced to revise the mortgage company scheme as the amount of bad assets held by the mortgage companies will swell.

The ruling-opposition accord does not specify the necessary framework referred to in the provision added to the budget bill.

Finance Ministry sources said the wording of necessary framework should be read as "a framework as envisaged in the jusen liquidation bill."

The bill calls for creating a new entity to inherit and recover problem loans held by the seven failed mortgage companies following their dissolution.

Japan: Minister Asks Banks To Try To Settle 'Jusen' Issue

OW1104084096 Tokyo KYODO in English
0820 GMT 11 Apr 96

[FBIS Transcribed Text] Tokyo, April 11 KYODO — Finance Minister Wataru Kubo urged banks Thursday [11 April] to make more efforts to settle the bad loan mess at "jusen" housing loan companies.

"Each bank...should make a sincere review of the process of its exposure to huge problem loans," Kubo said in a speech read out on his behalf at an annual meeting of the Trust Companies Association of Japan. Vice Finance Minister Tadashi Ogawa read the speech.

In the speech, Kubo said he strongly hopes that banks, including those which founded the seven troubled "jusen" companies, should take "appropriate action," and urged them to be fully aware of their responsibility for the housing loan fiasco.

Kubo also said the Ministry for its part is taking seriously public criticism of its response to the "jusen" problem and other issues, and vowed to make the ministry's financial administration more transparent.

The housing loan companies, which are now virtually bankrupt due to huge problem loans, are supposed to be liquidated with the help of taxpayers' money under a government-brokered scheme.

The scheme calls on banks which founded the housing loan companies to abandon all their loans to them.

Kubo, however, has repeatedly said the founder banks must shoulder more burdens to help settle the housing loan fiasco, given their responsibility for the management of the mortgage companies.

Bank of Japan (BOJ) Governor Yasuo Matsushita, who also delivered a speech at the meeting of the Trust Banking Group, meanwhile, urged banks to accelerate liquidation of problem loans made to nonbank financing companies other than the housing loan companies.

"In addition to loans made to the mortgage loan companies, there is a huge amount of problem loans to be disposed of," Matsushita said.

"It is necessary to promote liquidation of those loans at an early date," he said.

In his speech, Kubo said he is hoping for an early Diet passage of the fiscal 1996 budget, which includes a

provision to use 685 billion yen in taxpayers' money for the liquidation of the housing loan companies.

"An early settlement of the bad loan issue is essential for Japan to restore the stability of its financial system and put the economy on the road to full recovery," Kubo said.

The government compiled a 50-day stopgap budget for fiscal 1996, which started April 1, as the confrontation between the ruling and opposition parties over the use of taxpayers' money for the liquidation scheme paralyzed Diet debate on the full fiscal 1996 budget.

The ruling and opposition parties agreed Wednesday night to pass the full budget through the House of Representatives on the condition that tax money will be used only after a necessary framework is established for the liquidation of the housing loan companies. The accord, however, does not specify the necessary framework.

Matsushita, meanwhile, called for early Diet approval of three financial bills to lay the groundwork for reconstruction of Japan's financial system.

The three bills, which are expected to be adopted at a cabinet meeting Friday for submission to the Diet, are aimed at facilitating liquidation of bad loans and strengthening the nation's deposit insurance system.

On the economic situation, both Kubo and Matsushita said the economy is staging a moderate recovering.

Kubo said, "the government will make efforts to take appropriate fiscal and monetary policy measures to ensure economic recovery."

Matsushita said, "in its monetary policy management, the Bank of Japan will give priority to consolidating the groundwork for economic recovery."

Japan: Cabinet Secretary Discusses 'Jusen' Liquidation Plan

OW1104064896 Tokyo KYODO in English
0535 GMT 11 Apr 96

[FBIS Transcribed Text] Tokyo, April 11 KYODO — The top government spokesman said Thursday [11 April] that the 685 billion yen outlay to help liquidate seven failed "jusen" housing loan companies will be disbursed when bills to legislate the government's "jusen" disposal scheme become law.

The government hopes a special Diet committee to be set up will speedily act to legislate the scheme because the longer it takes, the harder it will become to clarify causes and responsibility in the "jusen" fiasco and to recover loans the firms have extended, Chief Cabinet Secretary Seiroku Kajiyama said.

Kajiyama expressed hope that the special panel will discuss ways to ask the private sector to pay more toward the liquidation, apparently referring to the banks that founded the housing loan firms.

The government takes it seriously that a national budget is to be rewritten for the first time since 1963, Kajiyama said.

To break the Diet impasse, the ruling and opposition camps agreed Wednesday night to rewrite the fiscal 1996 budget bill to attach conditions for the outlay of 685 billion yen for liquidation of the jusen companies.

In the deal arrived at behind closed doors, the three ruling parties — the Liberal Democratic Party, the Social Democratic Party and New Party Sakigake [Harbinger] — proposed that the 685 billion yen outlay will be disbursed after "necessary measures" are set up and that the Diet create a special panel to discuss the "jusen" issue.

The main opposition Shinshinto (New Frontier Party) accepted the proposal and agreed to convene the House of Representatives Budget Committee and later the lower house plenary session Thursday to vote on the 75.1 trillion yen budget for fiscal 1996, which began April 1.

Shinshinto had been calling for removal of the "jusen" allocation from the budget.

The ruling camp takes the stand that the "jusen" outlay will be disbursed when the bills become law, but Shinshinto is saying that more measures are required.

Japan: BOJ Chief Vows To Work for Economic Recovery

OW1004130596 Tokyo KYODO in English
0856 GMT 10 Apr 96

[FBIS Transcribed Text] Tokyo, April 10 KYODO — Bank of Japan (BOJ) Governor Yasuo Matsushita reiterated Wednesday [10 April] the Central Bank's readiness to maintain its present easy monetary policy until it confirms that the economy is on a full recovery track.

"The BOJ will give priority to consolidating the ground for economic recovery, while closely monitoring developments in the economic and monetary situation," Matsushita told reporters after a two-day meeting of BOJ branch managers that ended in Tokyo on Tuesday.

Matsushita said, "reports from the branch managers underscored the Central Bank's assessment that the economy is staging a moderate recovery."

He added, however, "it is too early to draw a conclusion on the strength of economic recovery."

Uncertainty remains over the prospects for overseas demand and progress by companies to adjust to structural changes in the Japanese economy, he said.

Matsushita also stressed the need to review the BOJ law to increase the Central Bank's independence as part of Japan's efforts to overhaul its financial administration.

The BOJ has been maintaining the official discount rate, which it imposes on loans to commercial banks, at a historic record of 0.5 percent since early September last year, when the Central Bank cut the rate by half a percentage point.

For a sustainable economic recovery, it is necessary for the economy to see a smooth shift from the current upturn led by public and housing investment to a recovery powered by private demand, such as personal consumption and corporate capital spending, Matsushita said.

In a speech earlier this month, Matsushita said it is natural for market rates to rise amid growing expectations for economic recovery. The statement led to gyrations on the stock and bond markets as market participants took the comment to indicate the BOJ would tolerate an upturn in interest rates.

At Wednesday's news conference, however, Matsushita said the BOJ has been making announcements when there is a shift in its monetary adjustment stance on the money market and there will be no change in such a policy.

On overseas economic conditions, Matsushita said German and other European economies tend to lack upward momentum, while the U.S. economy is coming to a "soft landing" on a growth track that matches a moderate expansion of final demand.

Referring to review of the BOJ law, Matsushita said, "there is a possibility that the Central Bank cannot cope flexibly with changing economic and monetary conditions under the current law."

Matsushita also said market players might be doubtful about the BOJ's independence. This could lead to speculation and prevent the real intention of the BOJ's policy management from penetrating into the market, he said.

In view of promoting cooperation with other central banks for a sound world economy, it is necessary for Japan to have a Central Bank law that can match those of other industrial nations, Matsushita said.

The BOJ law, drawn up in 1942 during World War II, gives broad authority to the Finance Ministry, and critics say the BOJ is less independent than its U.S. and European counterparts.

There are moves among the ruling coalition parties to review the law and increase the BOJ's independence amid mounting public criticism of the ministry's handling of the bad loan mess at ailing housing loan companies.

The BOJ wants to actively participate in debate on a review of the BOJ law, if it is given such an opportunity, Matsushita said.

Japan: 'Consistency' in PRC Business Policies Urged

OW1104065596 Tokyo KYODO in English
0520 GMT 11 Apr 96

[FBIS Transcribed Text] Beijing, April 11 KYODO — A top official of Japan's most powerful business group called Thursday [11 April] for consistency and transparency in China's policies during a meeting with Chinese business managers, group officials said.

Katsushige Mita, vice chairman of the Federation of Economic Organizations (Keidanren) and chairman of Hitachi Ltd., also asked China to make efforts to bring its business practices closer to global standards and build up its infrastructure.

Mita made the requests when a Keidanren mission, led by Shoichiro Toyoda, chairman of Keidanren, met with 14 Chinese business managers for about 90 minutes in the morning, the officials said.

The Chinese did not refuse his requests or make concrete responses but showed much interest in the requests, the officials said.

The Chinese briefed the Japanese about China's severe business conditions, saying Chinese corporations have many social obligations for employees and suffer from excess personnel, they said.

Japan: Health Ministry: 534 Deaths Linked To 'Mad Cow' Disease

OW1004135996 Tokyo KYODO in English
1323 GMT 10 Apr 96

[FBIS Transcribed Text] Tokyo, April 10 KYODO — A total of 534 people died in Japan between 1979 and 1990 due to the Creutzfeldt-Jakob [CJ] brain disease, which is suspected to be linked to mad cow disease, the Health and Welfare Ministry said Wednesday [10 April].

Kiyotaro Kondo, a professor at Hokkaido University's medical school, led the Health Ministry's enumeration

and analysis of the cases and denied any link between the two diseases in Japan.

The number of deaths due to the brain disease grew steadily, from 141 in the 1979-1982 period, or 4.0 in 10 million people, to 216 in the 1987-1990 period, or 5.6 per 10 million.

Kondo, however, said the rise was due to the fact that in the latter period more cases were diagnosed as Creutzfeldt-Jakob disease rather than as apoplexy or other brain diseases.

In Japan, unlike in Britain, the victims of the disease were mostly over 45, Kondo said.

The continent-wide health scare flared March 20, when the British government announced there may be a link between the cow ailment and the deadly Creutzfeldt-Jakob disease in humans.

A worldwide ban on imports of British beef followed, and the European Union has approved a plan to destroy millions of British cattle in an effort to stamp out mad cow disease and restore public trust in beef.

Japan: Advisory Panel Holds Meeting on 'Mad Cow' Disease

OW1104043896 Tokyo KYODO in English
0134 GMT 11 Apr 96

[FBIS Transcribed Text] Tokyo, April 11 KYODO — A Health and Welfare Ministry advisory panel on food sanitation met Thursday [11 April] to discuss how to prevent "mad cow" disease in Japan, the first meeting of its kind in the country over the disease.

The Food Sanitation Investigation Council's Standing Committee is to discuss how to deal with a World Health Organization (WHO) recommendation against eating beef suspected of being infected with the disease and Britain's announcement last month of a possible link between mad cow disease and its fatal human equivalent, ministry officials said.

Japan has banned beef imports from mainland Britain since 1951 because of concern about a different cow disease and extended the ban last month to cover beef from northern Ireland and food products such as sausages and canned meat.

The Health and Welfare Ministry issued an administrative notice Wednesday banning production and imports of medicine and cosmetics made from British beef.

The Central Pharmaceutical Affairs Council, an advisory panel to the Health and Welfare Minister, is scheduled to call a meeting on mad cow disease in the near future.

Caution over mad cow disease has risen since March over a possible link between mad cow disease, formally called bovine spongiform encephalopathy or BSE, and its human equivalent, Creutzfeldt-Jakob disease (CJD).

Ten Britons have reportedly died from a new strain of CJD, possibly after eating infected beef.

Japan, U.S. Grow 'Optimistic' About Trade Disputes

OW1104033496 Tokyo KYODO in English
0257 GMT 11 Apr 96

[Fourth and final of a four-part series by Nobuaki Fukai: "Japan, U.S. Turn Optimistic About Trade Issue"]

[FBIS Transcribed Text] Tokyo, April 11 KYODO — Japan and the United States appear to be growing slightly optimistic that they can avoid serious disputes on the trade front — a major bilateral sore spot — when Prime Minister Ryutaro Hashimoto meets with President Bill Clinton here next week.

The U.S. has insisted that progress be made in what it considers four priority trade areas — insurance, semiconductors, photographic film and cargo aviation — before Clinton's April 16-18 state visit to Japan for the bilateral summit.

After striking an air cargo agreement in late March to expand opportunities for carriers on both sides of the Pacific, the two countries are hinting at progress in two of the three remaining areas — semiconductors and insurance.

Japanese Ambassador to Washington Kunihiko Saito indicated for the first time Tuesday that the Japanese Government will throw its weight behind a partnership agreement that Japanese and U.S. semiconductor manufacturers are negotiating.

"I'm sure our government will endorse it (the industry-level agreement) and will be happy to support it," he said.

Saito also expressed hopes for settlement of the insurance standoff before Clinton's visit, saying U.S. negotiators are currently assessing a proposal presented by Japan during the latest session in Los Angeles last weekend.

Meanwhile, the U.S. said it expects the upcoming summit to center on security issues, rather than trade matters.

"Because we have successfully put in place many measures that are now effectively managing our trade relation with the government of Japan, that is likely going to be a bilateral meeting that focuses more

on security issues," White House Spokesman Mike McCurry told reporters in Washington on Tuesday.

Tokyo has steadfastly opposed a U.S. request for renewing the 1991 bilateral semiconductor agreement that expires July 31, saying the pact has served its historical role, given growing presence of foreign microchips in the Japanese market.

Foreign market share hit a record 30.2 percent in the October-December quarter of 1995, says Japan's Ministry of International Trade and Industry (MITI). The figure stands far above the 20 percent share targeted by the U.S.

While the U.S., which deems a government-level chip agreement as critical, has been indicating that it may drop numerical targets in a new accord, "the 20 percent figure could haunt Japan again once the foreign market share drops below that level," a MITI official said.

In a move that could break the semiconductor impasse, Japanese and U.S. chip industry representatives are to convene in Hawaii on April 26 to discuss ways for further private-sector cooperation.

Saito's remark on endorsing a private-sector deal sounds like a step forward from MITI's stance that Japan is monitoring development of private-sector negotiations, though a senior MITI official cautioned against being too excited about what Saito said.

"I understand he just meant that it would be fine and supported if the industry could reach an agreement," the official said, noting the remark does not deviate from MITI's opposition to renewal of the 1991 pact and other state involvement in the chip sector.

Both the Japanese and U.S. Governments share the attitude of monitoring private-sector talks such as those scheduled for late April, the official said.

On insurance, the two nations are split over interpretation of the 1994 agreement which calls for avoiding "any radical change" in the "third sector" of the Japanese insurance market before substantially liberalizing the "primary" life and nonlife sectors.

The third sector encompasses policies against sickness, accidents and nursing that combine life and nonlife benefits. Foreign insurers operating in Japan are strong in these areas, particularly cancer insurance.

Under the revised insurance business law which went into effect April 1, Japanese life and nonlife insurers can enter the other's business turf through subsidiaries. Tokyo argues these subsidiaries should be allowed to sell third-sector products.

Washington, however, claims awarding the units with access to the third sector would violate the bilateral insurance accord. It calls for Japan first to liberalize auto and fire insurance rates and take other deregulatory steps in primary life and nonlife divisions.

"The objective (of the accord) is the long-term competitiveness of the market. You don't get there by protecting the 95 percent," a U.S. Government official said, referring to the primary sectors which account for 95 percent of the Japanese market.

Although Japan and the U.S. failed to resolve the dispute at talks held in Los Angeles last weekend, Japan is thought to have made a proposal about the primary sectors. Insurance negotiators of the two nations will meet again in Washington this weekend.

Of the three outstanding bilateral trade areas, photo film is where progress is least expected.

The Office of the U.S. Trade Representative is investigating under Section 301 provisions of the 1974 trade law an Eastman Kodak Co. petition against anticompetitive practices which the company says are blocking its access to Japanese consumers.

While the U.S. is calling for government-to-government talks on the issue, Japan is rejecting the call, saying it will not agree to any talks under threat of Section 301 which is capable of invoking sanctions.

Tokyo also argues the U.S. film maker should file a complaint with the Fair Trade Commission if it sees competition problems in the Japanese film market.

Japan: 'News Focus' Views Reforming OTC Market

OW1104033796 Tokyo KYODO in English
0210 GMT 11 Apr 96

["News Focus" by Konosuke Kuwabara: "Liquidity Holds Key To Reform of Japan's OTC Market"]

[FBIS Transcribed Text] Tokyo, April 11 KYODO — Japan's securities companies and authorities are beginning to discuss measures to rejuvenate trading on the over-the-counter (OTC) market.

Authorities are hoping to infuse life into the cheerless Japanese economy by helping support start-up ventures through activation of the OTC market and other reforms.

As an increasing number of companies have been going public on the OTC market in recent years, the number of companies traded on the market could top 1,000 as early as next year.

Despite the growth, however, authorities and publicly traded companies say that the OTC market has not yet

matured enough for the companies to procure funds smoothly.

Industry analysts are agreed that whether the market can rival the National Association of Securities Dealers Automated Quotation (NASDAQ) of the United States depends on how much market liquidity can be improved.

The OTC market is apparently expanding favorably. At the end of last year, the number of companies traded on the market reached 677 with an aggregate value of 14.5 trillion yen.

Last year, 137 companies registered their stocks on the OTC market, with some 150 more expected to do so by the end of this year, analysts say.

At the same time, however, they say that many reforms will be needed for the OTC market to catch up with the NASDAQ, on which some 5,000 companies' stocks are traded, in the future.

Last July, the Finance Ministry lifted a rule that had barred companies with less than 1 billion yen in net assets and less than 300 million yen in pretax profits from the OTC market.

As a result, companies which have 200 million yen or more in net assets and 20 million yen or more in pretax profits are now allowed to go public on the OTC market.

Moreover, the "second" OTC market was set up in the same month, whereby even companies with pretax losses are allowed to have their stocks traded if they put an emphasis on research and development.

"In the initial step, barriers were reduced for the entry of companies into the OTC market," said Kazuhito Kondo, managing director at Ichiyoshi Securities Research Institute Inc.

A report, mapped out in late February by a working group on the OTC reform under the Ministry of International Trade and Industry (MITI), stressed the need to improve liquidity.

Industry analysts cite low liquidity as the biggest problem of the OTC market. For example, the turnover ratio of the OTC stood at 0.74, compared to 1.84 for the NASDAQ.

"Low liquidity is making it hard for companies to procure funds and for institutional investors to trade shares actively," said Kondo, himself a member of the MITI working group.

First, the report blamed the tender system, whereby investors submit bids through computers at the time of OTC debuts for OTC shares fetching disproportionately high prices.

It asked the securities industry to adopt the bookbuilding system, which is currently practiced in the U.S. and other places, to help establish initial prices of OTC shares.

Some foreign concerns, including the European Union, are also seeking the introduction of the internationally acknowledged bookbuilding system of pricing initial public offers.

Under the formula, analysts canvass major institutional investors and decide how many shares would be bought and at what prices in order to decide initial prices.

Secondly, the report proposed that securities companies adopt a "market maker" system, or present both suggested selling and buying quotes at all times.

Securities companies are now required to present each of suggested selling and buying quotes twice a week, but this system does not work, the report said.

Due to the inefficient price making by securities companies, OTC shares are traded mostly via Japan OTC Securities Co., a special broker which was set up in 1976.

"But investor demand for effective market making by securities companies is growing," said Kiyohisa Hirano, a senior analyst at Daiwa Institute of Research Inc.

Masanao Kuriyama, a deputy general manager at Yamaichi Research Institute of Securities and Economics Inc., said, "Disclosure by OTC companies also needs to be improved."

Companies should be urged to disclose more information in the case of a tender of their shares before their OTC debut in an effort to protect investors, he said.

The Japan Securities Dealers Association also set up a working group on OTC reform in late February and is expected to compile a report by the end of June.

Though Japan's OTC market is ready to imitate systems used at the NASDAQ, such as the bookbuilding system, there is no guarantee this will enable the OTC to really rival the NASDAQ.

Hirano of Daiwa said the future of the OTC market is closely related to social values in Japan, and to whether they will help encourage people to start businesses for themselves.

Yamaichi Research's Kuriyama agreed, saying that entrepreneurship is not as respected in Japan as in the U.S., and that this may be bad for OTC market development.

Anyway, he added, "OTC reform is only just ready to start. Even if a sweeping reform is launched now, it may take some 20 years for it to bear fruit."

Japan: Police Find Six More Counterfeit 100-Dollar Bills

*OW1104044796 Tokyo KYODO in English
0419 GMT 11 Apr 96*

[FBIS Transcribed Text] Tokyo, April 11 KYODO — Six more counterfeit 100 dollar notes, believed to be similar to those allegedly used by a former member of a now-defunct Japanese Red Army faction in Thailand, have been found in Japan, police sources said Thursday [11 April].

The fake bills were found April 3 when 50,000 dollars was brought to a Tokyo bank by a Tokyo trading house operating in Thailand, the sources said.

The counterfeit notes are nearly identical to the high-quality counterfeit U.S. bills dubbed "super k" bills, allegedly used by Yoshimi Tanaka, who was arrested last month on suspicion of using and carrying fake U.S. money in January.

Thai prosecutors indicted Tanaka, 47, on Thursday on charges of possessing and using counterfeit notes.

Takeshi Noda, chief of the National Police Agency's Criminal Investigation Bureau, has said that some 390 super k bills have been found in Japan since 1990.

Japan: Police Set Up Task Force for Computer-Related Crimes

*OW1104042596 Tokyo KYODO in English
0304 GMT 11 Apr 96*

[FBIS Transcribed Text] Tokyo, April 11 KYODO — The National Police Agency (NPA) has set up a task force charged with computer network-related criminal cases such as hacking, computer viruses and pornography on computer networks, agency officials said Thursday [11 April].

The establishment of the new in-house section follows an interim report presented by an NPA-commissioned study group on the safety of information to the National Public Safety Commission.

The report recommends that the government write legislation to fight criminal acts involving computer networks and strengthen police investigative capacity against such acts.

The NPA plans to improve contact with other government ministries and agencies over safety measures against such crimes and have its staff take part in a re-

lated training program by the Paris-based International Criminal Police Organization (ICPO), the officials said.

Japan: Government Moves To Shorten Customs Clearance Time

*OW1104080496 Tokyo KYODO in English
0731 GMT 11 Apr 96*

[FBIS Transcribed Text] Tokyo, April 11 KYODO — The government adopted a measure Thursday [11 April] to shorten the time for cargoes to clear customs as part of Japan's deregulation drive, a government spokesman said.

The measure taken at a vice ministers' meeting will be endorsed at a regular cabinet meeting Friday morning [12 April].

Under current regulations, importers must go through customs clearance procedures for cargoes after taking them to bonded areas, Deputy Chief Cabinet Secretary Teijiro Furukawa said.

But the new measure would allow large-scale importers which regularly import for business to go through such procedures before bringing cargoes to the bonded areas. This would reduce by four to five hours the time currently required for customs clearance of about half a day, he said.

North Korea

DPRK Daily on Calling 'U.S. Bellicose Circles,' ROK to Account

*SK1104033596 Pyongyang KCNA in English
0330 GMT 11 Apr 96*

["Fire With Fire" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 11 (KCNA) — Our people and People's Army will thoroughly destroy the enemy if he dares encroach upon even an inch of our territory, our airspace and territorial waters and are fully ready to uproot the source of war on the Korean peninsula, says NODONG SINMUN in a signed commentary today.

Recalling that a few days ago, the traitor Kim Yong-sam held an "emergency security meeting" and "ad hoc meeting of ministers related to reunification and security" with his top-level underlings and spun out a string of bellicose utterances about "strong countermeasure", finding faults with the self-defensive measure taken by the Panmunjom mission of the Korean People's Army, the analyst of the paper says:

On the directive of the traitor Kim Yong-sam, all the divisions of the South Korean puppet army in the area

along the Military Demarcation Line are waiting for a firing order, fully prepared for action and support firing.

We cannot overlook the fact that the Kim Yong-sam group are leading the situation to a more dangerous brink of war by deliberately kicking up a military racket, shamelessly shifting their task of extinguishing the fire kindled by them onto the North.

We think that it is time for us to call the U.S. bellicose circles and South Korean puppets to account. We had to take a self-defensive measure entirely because the South Korean puppets violated the order of conduct in the Demilitarized Zone and created an extremely dangerous situation under which a war against the North may break out any moment by incessantly staging provocative war moves together with outside forces. Accordingly, they must bear full responsibility for them.

We will never pardon the moves of the South Korean puppets to find a way out of the instable political situation and serious ruling crisis in South Korea in unleashing another war against the North but we will take a thousand-fold strong self-defensive measure against them.

It is our unshakable will to answer fire with fire and stick with stick.

DPRK: Kim Yong-sam Attempts To Obstruct U.S., Japan Ties

SK1104090296 *Pyongyang KCNA in English*
0837 GMT 11 Apr 96

[“NODONG SINMUN on Strictly Punishing Kim Yong-sam’s Crimes” — KCNA headline]

[FBIS Transcribed Text] *Pyongyang*, April 11 (KCNA) — We will strictly punish the anti-national, anti-reunification crimes committed by Kim Yong-sam, says NODONG SINMUN in a signed article today.

Kim Yong-sam put inter-Korean relations into the worst state and drove the situation on the Korean Peninsula to a dangerous brink of war and thus laid bigger obstacle in the way of peace of the country and its peaceful reunification, the article notes, branding this as the biggest anti-national, anti-reunification crime committed by him during his office and an unheard-of criminal act which cannot be forgiven at all.

The paper continues:

The Kim Yong-sam group, far from keeping mourning etiquette at the time of the state funeral of the fellow countrymen, levelled guns at them overwhelmed with grief and lacerated South Korean people who wanted to share sorrow with them.

We will punish the crime of the traitor Kim Yong-sam who left incurable wounds on the painful mind of the fellow countrymen who lost their leader unexpectedly. And we will make him pay dearly for the crimes he committed by blocking the Seoul pan-national rally and the reunification festival of youth and students three times at the point of the bayonet, branding them as “illegal meetings”, and by ruthlessly suppressing pro-reunification patriots and youth and students who visited the northern half of Korea or called for contacts, exchange and dialogue with the North and other pro-reunification democratic forces.

Besides, Kim Yong-sam put a spoke in the wheel of the improvement of DPRK-U.S. and DPRK-Japan relations, begging for “sanctions” and “international cooperation system” to do harm to and stifle the fellow countrymen as a shock brigade of the anti-DPRK nuclear racket staged by the imperialist reactionaries.

Seeing their days are numbered, the Kim Yong-sam group are making the last-ditch effort to find a way out in more viciously resorting to the confrontation row against the North and igniting the fuse of war against the North.

We will never remain an onlooker to the reckless acts of the Kim Yong-sam group hell bent on imposing a nuclear disaster upon the nation.

If the puppets dare provoke war against us like a newborn puppy knowing no fear of a tiger, we will deal a heavy blow to the provokers and punish their crimes thousandfold.

DPRK Article Urges Establishment of New Peace Mechanism

962C0039A *Pyongyang NODONG SINMUN*
in Korean 10 Jan 96 p 5

[Article by Ho Yong-kil: “Establishing a New Safeguard Mechanism for Peace Is an Essential Precondition for Safeguarding Peace”]

[FBIS Translated Text] The joint New Year editorial published by party, military, and youth journals points out that the primary problem to be solved in order to insure peace and security on the Korean peninsula and realize the reunification of Korea is that of establishing a new mechanism for safeguarding peace between our country and the United States. The editorial was another reaffirmation of the consistent stand of our party and the government of the republic in favor of putting in place an institutional device to achieve peaceful national reunification by easing tension and securing a lasting peace on the Korean peninsula, for the purpose of vigorously intensifying the movement for national

reunification in keeping with the reality in which a common reunification formula has been decided upon by national consensus and in accordance with our nation's ardent desire for reunification.

The great historical pan-national conference met in Panmunjom on 15 August last year—the 50th anniversary of the liberation of Korea—with representatives from the North, the South, and overseas Korean communities present. After discussion, the meeting adopted the confederation formula of reunification as the common reunification formula agreed upon by the consensus of all the Koreans. Having greeted the New Year with joy over the outcome of that conference, all our fellow Koreans are full of determination to bring about a new breakthrough in the struggle for national unity and reunification under the leadership of the great leader [Yong-doja] Comrade Kim Chong-il, upholding the teachings on reunification given by the great leader Comrade Kim Il-song, the father of our nation.

The question of establishing a new safeguard mechanism for peace between us and the United States is one of the essential problems arising in safeguarding peace and security on the Korean peninsula and realizing national reunification.

The great leader Comrade Kim Il-song taught as follows: "Only by concluding a peace agreement is it possible to remove the potential dangers of a new war breaking out in Korea and create an environment conducive to national reunification."

At present, on this small Korean peninsula, huge military forces larger than forces deployed in any other area in the world confront each other across the military demarcation line. Particularly in South Korea, 40,000 U.S. troops and more than 1,000 U.S. nuclear weapons of various kinds are deployed. Constant war games conducted by U.S. forces and South Korean puppet troops that simulate invasion of North Korea are gravely menacing our country's peace and security. In Korea, where this dangerous situation continues, it is impossible to prevent any accidental outbreak of hostilities with the out-dated armistice mechanism.

As is obvious to everyone, an armistice agreement is one to suspend fighting temporarily; therefore it does not guarantee a last peace. What is more, the current armistice agreement on the Korean peninsula exists in name only due to the irresponsible and unjustified behavior on the part of the U.S. side. The armistice supervisory mechanism, the device for implementing the armistice, has been reduced to something like a house without pillars. It is clear as daylight that if this state of affairs is left alone, it will be impossible to prevent war on the Korean peninsula. An outbreak of war on

the Korean peninsula would cause irreparable damage not only to the Korean nation but also to world peace and security. It would not do the United States any good either.

Therefore it is essential to replace the out-dated armistice mechanism with a new safeguard mechanism for peace in order to prevent a military buildup, safeguard peace and security, and end the tragedy of national division on the Korean peninsula.

Replacing the armistice agreement with a peace agreement arises as a mature necessity under the present condition where there is a non-aggression pact between the North and the South, and where a basic agreement adopted between the DPRK and the United States is in implementation stage. Replacing the armistice mechanism, which is beyond restoration or repair, with a safeguard mechanism for peace is a pressing demand that cannot be postponed further. The question of establishing a new safeguard mechanism for peace on the Korean peninsula can only be solved between our republic and the United States, both of whom are the actual signatories to the armistice agreement and the ones capable of actually guaranteeing peace.

In the past, from its peace-loving and reunification-oriented standpoint, the DPRK Government presented a series of most rational and realistic proposals and methods for achieving lasting peace and peaceful reunification. It did so for the purpose of improving DPRK-U.S., as well as North-South, relations, which are confrontational, and has made every sincere effort to realize them. In particular, we already presented a proposal for establishing a new safeguard mechanism for peace in April 1994 and subsequently have taken a series of practical measures for that purpose.

However, our just initiatives and sincere efforts have as yet borne no hoped-for fruit, partly because the United States has continued to take an insincere attitude, failing to live up to its responsibility for safeguarding peace and security on the Korean peninsula, and partly because the South Korean puppets are frantically engrossed in their confrontational and war-provocation machinations against our republic.

The United States—which is party to the armistice agreement, was the ringleader in the destruction of the armistice mechanism, and has the prerogative of supreme command over the military in South Korea—has no valid reason to refuse to negotiate with us on the question of converting the out-dated armistice mechanism to a new safeguard mechanism for peace. If the United States really wants peace on the Korean peninsula and the peaceful reunification of Korea and seeks to embark upon the road to guaranteeing a lasting

peace and security on the Korean peninsula, it has no reason to hesitate to join us in establishing a new mechanism to safeguard peace. If a new safeguard mechanism for peace is established between us and the United States, it will lead to the relaxation of tension on the Korean peninsula, making implementation of the North-South agreements so much smoother and undoubtedly creating a condition conducive to peace in Korea and peaceful reunification. The United States should rectify its anachronistic, out-and-out pro-South Korean policy and policy of hostility toward the DPRK and respond positively to our proposal for establishing a new safeguard mechanism for peace, in keeping with the spirit of the DPRK-U.S. basic agreement.

The only problem remaining in securing a lasting peace between the North and the South is implementing the North-South agreements previously adopted and already in force.

The South Korean puppets—who are not signatory to the armistice agreement, hold no prerogative of supreme command over its forces, and who are nothing more than an agent of war in the service of the United States—have neither the qualification nor the justification to edge themselves into the task of establishing a new safeguard mechanism for peace between us and the United States. All they need to do for their part is stop all their criminal anti-national, anti-peace, anti-reunification actions, including confrontational machinations against our republic and military buildup and war provocation maneuvers, and abide by the nonaggression declaration the North and South made before the nation with a pledge to honor it. The South Korean puppets should stop their sinister attempts to block any move on the part of us and the United States to establish a new safeguard mechanism for peace.

Peace does not come naturally just by asking, but can be won only by nationwide struggle. This year, as in the past, all our compatriots in the North, the South, and overseas must launch in unison the struggle to safeguard peace and security on the Korean peninsula and hasten the realization of the long-standing desire to unify their fatherland. They must resolutely crush the machinations of U.S. bellicose forces and the Kim Yong-sam traitor clique that is obsequious and subservient to them.

DPRK Article Criticizes U.S. 'Intervention'
962C0030A Pyongyang NODONG SINMUN
in Korean 18 Dec 95 p 6

[Article in "The World Today" column by Kim Chong-ok: "U.S. Maneuvers for Intervention in Other Nations' Domestic Affairs Under Fire"]

[FBIS Translated Text] The great leader Comrade Kim Il-song taught:

"Today it is an anachronistic mode of thinking to attempt to impose one's will on others from the position of strength."

The United States, clinging to a position of strength anachronistically, is still attempting to unreasonably impose its will on other nations while arbitrarily interfering in their domestic affairs. But the citizens of various countries, treasuring their national sovereignty and dignity, are resolutely opposing and denouncing the U.S. intervention in their domestic affairs and its hegemonic maneuvers.

The Nigerian Government executed nine antigovernment activists in November this year [1995]. Nigerian media hailed it as a "step in the interest of the state and people." Writer (Wiwa) and his eight colleagues had been indicted on charges of the unjustifiable slaying of five (Okony) tribe leaders, at a session held in May 1994. The court, after examining the charges, sentenced them to death.

Meanwhile, the United States, linking the development to human rights issues, is maneuvering to isolate Nigeria. The Nigerian foreign minister stated that the death sentences should not be used as a pretext to justify a sanction against Nigeria or any other measures to isolate Nigeria. He declared: "No matter what anyone says, we will steadfastly hold to our national sovereignty." The execution was carried out on 10 November, in accordance with the court verdicts. The United States then recalled its ambassador, and stopped issuing entry visas for Nigerians. At the same time, it took steps to ban oil imports from that country. AP reported that Washington, while pushing for a UN resolution denouncing the executions, is exploring ways and means to further isolate Nigeria.

Nigeria has strongly reacted against the U.S. move. Stating that the executions of the nine criminals were justifiable, the Nigerian Government demanded that the United States stop its interferences in its domestic affairs. The Nigerian Foreign Ministry said that "nothing can justify" the U.S. maneuvers, while the Nigerian Ambassador to the United Nations issued a statement noting that "if the big powers should be allowed to

excessively intervene in Nigeria's domestic affairs as they are doing, no Third World countries would be able to avoid similar acts by them." Tens of thousands of Nigerians held a rally supporting General Abacha on 21 November at (Abuja) Square. They were carrying placards denouncing the United States and other nations for criticisms against Abacha. Speakers at the rally pledged themselves to unite in meeting accusations and challenges, and to defend Nigeria's national sovereignty and interests. The OAU secretary general, during his visit in early December, declared that the OAU opposes any attempt to isolate Nigeria.

The U.S. attempt to intervene in Cambodia's domestic affairs is also being denounced. Whether to grant Cambodia most-favored-nation (MFN) treatment in trade has been a subject of controversy since early this year [1995], and it still remains unresolved. It has something to do with the fact that some high-level strata in the United States are expressing "misgivings" while helping Cambodian "developments in the political and human rights situations." The U.S. Senate, linking the issue to the "human rights situation," rejected a resolution extending MFN treatment to Cambodia that had been approved by the House. A foreign press report said that Washington does not welcome Cambodia's self-dependent and peace-loving policy and, therefore, is putting pressure on it indirectly.

Since the civil war ended and a democratic government was established by elections in Cambodia, the government has been pursuing self-dependent policies and striving to rebuild the country. The people support Norodom Sihanouk and are participating in reconstruction programs in unison, opposing any negative phenomena hindering national developments. The political, economic, cultural and all other sectors are developing in the Khmer fashion; order has been restored in the whole society and the public unrest is being resolved. However, the United States does not welcome Cambodia's self-dependent developments.

In this respect, Cambodia's Second Prime Minister Hun Sen strongly criticized the United States, saying: "We could live without U.S. aid in the past. There is no reason why we cannot do the same now." Defining the U.S. attempt to push around and put pressure on Cambodia as a "futile effort," he said that he would mount mass demonstrations to oppose the U.S. intervention and defend Cambodia's independence. The Cambodian Government reaffirmed its will to defend its national sovereignty and independence.

The U.S. attempt to control Panama and retain the management of the Panama Canal has been met with opposition and denunciation by the Panamanian people.

In compliance with the 1977 treaty, the United States is required to withdraw its troops from Panama and hand the right of management on the canal over to the Panamanian authorities by 31 December 1999. As the date nears, however, the United States is attempting to keep its troops in Panama beyond that date. To the United States, Panama currently is the site of its southern command headquarters and a base for U.S. military operations in the Latin American theater. The U.S. Administration decided in March 1995 to relocate the southern command headquarters to Florida; however, as for the Howard Air Base, the biggest U.S. military facility in Latin America, and a number of other military bases, it is trying to keep them in Panama. The United States is earning an annual income of \$600 million from the Panama Canal. The transfer of the canal management to Panama will end that revenue for the United States. In view of such military and economic interests, Washington has laid bare its ambition for continued control of Panama, saying that the total troop withdrawal could "undermine the security" of Panama, or that it would be "difficult" for Panamanians alone to manage the canal. The White House spokesman said that the U.S. forces could be "of help to Panama through their participation in the antidrug activities and human rights campaign." And he even "warned" that a total withdrawal of U.S. troops could have a negative effect on Panama. Thus, the United States is trying to continue its presence in Panama beyond the 1999 deadline.

However, the Panamanian people insist that antidrug programs can be carried out successfully without the help of U.S. troops and the human rights situation is improving in a democratic way, and that the United States should, therefore, withdraw all its troops by the end of 1999 as it had promised, and hand over the right of management over the canal.

Many other countries, including Thailand, Malaysia, Indonesia, and Sudan, are also denouncing U.S. maneuvers to intervene in their domestic affairs under the pretext of "protecting human rights." Those countries insist that the U.S. "human rights standards" cannot be their standards, and that each nation has its standards suitable to its economic and social systems, and to its people's demands. They are demanding that the United States stop using the human rights issue as a means to put pressure on them. The Indonesian president, the Malaysian prime minister, and the Indian minister of home affairs made comments opposing and denouncing the U.S. attempt to intervene in the domestic affairs of their countries under the pretext of "human rights" and sow the seeds of discord. They expressed the strong will of their peoples to defend their national independence and sovereignty.

If the United States, clinging to an anachronistic mode of thinking, believes that it can arbitrarily intervene in the domestic affairs of developing countries, and can dominate and control them, it is in error. U.S. interventionist and hegemonic maneuvers only add fuel to anti-U.S. sentiments.

DPRK: Working Youth 'Volunteer' To Join People's Army

SK1104031196 Pyongyang KCNA in English
0310 GMT 11 Apr 96

[FBIS Transcribed Text] Pyongyang, April 11 (KCNA) — Youths of the Chollima Steel Complex, the Kim Chaek Iron and Steel Complex and Pyonghwa-ri, Panmun County, Kaesong Municipality, held meetings to volunteer to join the Korean People's Army (KPA).

At the meetings, the March 29 statement of the first vice-minister of the People's Armed Forces was read, which was followed by speeches.

The speakers charged that the U.S. imperialists and the South Korean puppet clique have massed huge armed forces and military equipment near the Military Demarcation Line and frantically staged various kinds of military exercises for preparations of a surprise attack at the North. The war is not a matter of if, but a matter of when in Korea, they said.

Noting that the South Korean puppets have apparently planned to launch a real war, they said that, at this juncture, the young vanguards, who have become reliable workers and farmers under the loving care of the Workers' Party of Korea and the leader, volunteered to join the heroic KPA with a determination to resolutely smash the reckless new war provocation moves by the traitor Kim Yong-sam, who is bringing dark clouds of a nuclear war above the homeland, and uplift the nation's dignity and honor.

The participants in the meetings signed petitions for military service.

DPRK: CPRF Condemns ROK's 'Intensifying Confrontation' With DPRK

SK1104031396 Pyongyang KCNA in English
0306 GMT 11 Apr 96

[FBIS Transcribed Text] Pyongyang, April 11 (KCNA) — The Secretariat of the Committee for the Peaceful Reunification of the Fatherland (CPRF) issued Information No. 710 on Wednesday denouncing the South Korean puppets for intensifying confrontation with the North in spite of the North's repeated warnings.

The South Korean puppets have escalated confrontation with the North, describing the press statements of

the first vice-minister of the People's Armed Forces and the spokesman for the Panmunjom mission of the Korean People's Army as "deliberate provocations," the information said, and continued:

This is an intolerable crime designed to misrepresent the cause of tension in the Korean peninsula and lead the situation to the brink of war.

It is only too natural that we took self-defensive measures as the Kim Yong-sam puppet clique were driving inter-Korean relations to the worst phase and keeping guns ready to fire at the North. They are to blame for the present situation.

The puppet clique must clearly see the situation, stop running riot and discontinue such reckless anti-North provocations as leading the situation to a war.

If the Kim Yong-sam group continue resorting to confrontation with the North and rendering the situation extremely strained in defiance of our repeated warnings, they will have to be held entirely responsible for all its consequences.

DPRK: ROK National Assembly Candidates Urge Labor Law Revision

SK1004225096 Pyongyang KCNA in English
1012 GMT 10 Apr 96

[FBIS Transcribed Text] Pyongyang, April 10 (KCNA) — Candidates for South Korean "National Assembly election" have favored the revision of the anti-social "labor law", a Seoul-based radio reported.

A recent opinion poll by the General Federation of Democratic Trade Unions (Minnochong) among 250 candidates throughout South Korea showed that more than 90 percent of the pollees voiced support for the deletion of such harmful articles as "prohibition of pluralization of Trade Unions" and "prohibition of third person's interference" from the "law", the legalization of Minnochong and Trade Unions' political activities.

DPRK: ROK Students Predict NKP Defeat in Elections

SK1004225496 Pyongyang KCNA in English
0958 GMT 10 Apr 96

[FBIS Transcribed Text] Pyongyang, April 10 (KCNA) — Many students polled at 24 universities of South Korea declared that the traitor Kim Yong-sam's "New Korea Party" will lose the puppet National Assembly "election" slated for April 11, according to a radio report from Seoul.

Responding to an opinion poll by a newspaper over the "general election," 57 percent of the pollees said the

ruling party will lose the "election" so that it will be minority and the opposition camp majority. And many of the respondents said they will vote against the traitor Kim's "party" in the "election."

DPRK: Kim Il-song University Head Supports ROK Students' Struggle

*SK1004225396 Pyongyang KCNA in English
0956 GMT 10 Apr 96*

["S. Korean Students' Struggle Fully Supported" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 10 (KCNA) — The president of Kim Il-song University, Pak Kwan-o, voiced full support and solidarity for the South Korean students' just struggle to overthrow the Kim Yong-sam fascist clique, which brutally killed a student No Su-sok in a peaceful demonstration.

In an article contributed to the newspaper NODONG SINMUN he said:

The South Korean students are valiantly fighting in the teeth of fascist suppression, shouting "violence with violence," "sword with sword" and "down with Kim Yong-sam." Their struggle has fully demonstrated their firm willingness to make the murderers of No pay dearly for his blood, settle his grudge and bring the traitor Kim Yong-sam involved in the slush fund scandal and responsible for the murder, to trial by history at the cost of their blood.

All the teachers, students and youths in the northern half of Korea believe that the South Korean students will as ever valiantly fight in close unity to overthrow the group of Kim Yong-sam, an unparalleled traitor, taking the lead in the movement for independence, democracy and reunification.

DPRK: Funeral of Student 'Killed' by ROK Regime Noted

*SK1104032196 Pyongyang KCNA in English
0314 GMT 11 Apr 96*

[FBIS Transcribed Text] Pyongyang, April 11 (KCNA) — A students' funeral for No Su-sok was held in front of the student hall of Yonsei University, his alma mater, on the morning of April 10, according to a report.

No had been killed by the Kim Yong-sam fascist clique.

The funeral ceremony was attended by university students, teachers and dissidents, more than 3,000 all told.

Following the ceremony, a memorial service took place in front of the Chongmyo Park in Seoul.

Some 10,000 students and citizens mourned for No Su-sok while the funeral procession marched from Yonsei University to the Chongmyo Park.

After the service, the procession headed for the cemetery for the Martyrs of May 18 in Mangwol-tong, Kwangju.

Meanwhile, students of universities and colleges under the South Korean Federation of University Student Councils held strikes on April 10 in connection with the funeral for No Su-sok.

DPRK: Antitorture Group Demands Abolition of ROK Security Law

*SK1104032696 Pyongyang KCNA in English
0311 GMT 11 Apr 96*

[FBIS Transcribed Text] Pyongyang, April 11 (KCNA) — Delegates of the Non-Governmental International Pen and the International Association Against Torture at the 52nd meeting of the U.N. Commission on Human Rights exposed the outrageous "National Security Law" [NSL] of South Korea and called for the immediate abolition of this evil law.

The present regime of South Korea has not scrapped the "NSL" but, in actuality, uses it for the ideological conversion of detainees, they said.

If human rights are to be guaranteed in South Korea in name and reality, it is necessary to abolish the "NSL" at once and return old Kim In-so, Ham Se-hwan and Kim Yong-tae, prisoners of war, to their hometowns, they added.

DPRK: Russian Deputy Premier Arrives for Economic Talks

*SK1004224296 Pyongyang KCNA in English
1020 GMT 10 Apr 96*

[FBIS Transcribed Text] Pyongyang, April 10 (KCNA) — A government delegation of Russia led by Deputy Prime Minister V.N. Ignatenko arrived here today to attend the first meeting of the Inter-Governmental Committee for Cooperation in Trade, Economy, Science and Technology between the Democratic People's Republic of Korea and the Russian Federation.

It was met at the airport by Vice-Premier Hong Song-nam, Vice-Minister of Foreign Affairs Yi In-kyu, Vice-Chairman of the State External Economic Affairs Commission Kim Chong-u, Russian Ambassador to Korea Yuriy Fadeyev and his embassy officials.

DPRK, Russian Vice Premiers Hold Economic Talks

*SK1104104796 Pyongyang KCNA in English
0949 GMT 11 Apr 96*

["Cooperation Between Korea and Russia" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 11 (KCNA) — The first meeting of the Inter-Governmental Committee for Cooperation in Trade, Economy, Science and Technology between the Democratic People's Republic of Korea and the Russian Federation was held at the Mansudae Assembly Hall today.

Working groups for successfully negotiating the agenda items were organized at the meeting, which discussed a series of matters on developing cooperation in trade, economy, science and technology between the two countries.

Present at the meeting on the Korean side were Vice-Premier Hong Song-nam and Vice-Chairman of the State External Economic Affairs Commission Kim Chong-u, who are respectively chairman and vice-chairman of the Korean side of the committee, Vice Foreign Minister Yi In-kyu, Vice-Chairman of the State Planning Commission Pak Song-nam, Vice-Chairman of the State Agricultural Commission Yi Ha-sop, Chief of the Staff of the Ministry of Railways Kim Yong-sam and officials concerned.

Present on the Russian side were Deputy Prime Minister of Russia V.N. Ignatenko and First Deputy Minister of Foreign Economic Relations Mikhail Pradkov, who are respectively chairman and vice-chairman of the Russian side of the committee, Deputy Foreign Minister Alexandr Panov, Deputy Minister of Economy Sergey Ignatiyev, Deputy Minister of Agriculture and Food Alexandr Yefremov, director of the Far East Management Bureau of Railways Anatoliy Ivanov, other members of the Russian Government delegation, Russian Ambassador to Korea Yuriy Fadeyev and Trade Representative of Russia to Korea Evgeniy Bilim.

DPRK: Russian Vice Premier Visits Liberation Tower

*SK1004224696 Pyongyang KCNA in English
1024 GMT 10 Apr 96*

[FBIS Transcribed Text] Pyongyang, April 10 (KCNA) — A Russian Government delegation led by Deputy Prime Minister V.N. Ignatenko, on a visit to Korea, laid a bouquet before the Liberation Tower on Wednesday.

Present on the occasion were Vice-Premier Hong Song-nam, Vice-Minister of Foreign Affairs Yi In-kyu, Vice-Chairman of the State External Economic Affairs Com-

mission Kim Chong-u, and Ambassador Yuriy Fadeyev and officials of the Russian Embassy here.

The participants observed a moment's silence in honor of the fallen Soviet Army soldiers, after laying a bouquet.

DPRK: Russian Vice Premier Visits Kim Il-song Statue

*SK1004224496 Pyongyang KCNA in English
1022 GMT 10 Apr 96*

[FBIS Transcribed Text] Pyongyang, April 10 (KCNA) — A government delegation of Russia led by Deputy Prime Minister Vitaly Nikitits Ignatenko visited the statue of the Great Leader President Kim Il-song on Mansu Hill today.

It laid a floral basket in the name of the Russian Government before the statue and made bows.

Accompanying the delegation were Vice-Premier Hong Song-nam, Vice-Minister of Foreign Affairs Yi In-kyu, Vice-Chairman of the State External Economic Affairs Commission Kim Chong-u and Russian Ambassador to Korea Yuriy Fadeyev.

DPRK: Hong Song-nam Hosts Reception for Russian Deputy Premier

*SK1104035796 Pyongyang KCNA in English
0334 GMT 11 Apr 96*

[FBIS Transcribed Text] Pyongyang, April 11 (KCNA) — The Administration Council gave a reception for the visiting Russian Government delegation led by Deputy Prime Minister V.N. Ignatenko in Pyongyang on April 10.

Vice-Premier Hong Song-nam, addressing the reception, expressed belief that the first meeting of the inter-governmental committee for cooperation will have successful discussions and reach agreement on all the agenda items thanks to the efforts of both sides, contributing to the development of the friendly and cooperative relations in the interests of the two peoples.

The Korean people, he noted, wish the Russian people success in their efforts for the nation's socio-economic stability.

We will strive to upgrade the relations of friendship and cooperation between our two peoples with a long history, on the principle of independence, equality and non-interference in other's internal affairs, he added.

Deputy Prime Minister V.N. Ignatenko in reply said that his delegation came to Korea for the purpose of further

developing scientific, technological and economic exchanges and cooperation as well as friendly relations between the two countries.

Sustained development of good-neighbourly relations with the Democratic People's Republic of Korea conforms with the interests of the people of the Russian Federation, he said, adding that the meeting will indicate a new direction of development of economic trade on the basis of economic cooperation already gained between the two countries.

He went on to say:

The Russian Federation, a neighbor country of the DPRK, sincerely hopes for peace and stability of the Korean peninsula. The people of the Russian Federation support the aspirations of the Korean people for achieving the reunification of the country in a peaceful and democratic way and free from the interference of outside forces.

DPRK: Ambassador to Cambodia Pays Final Visit to Sihanouk

SK1104083896 Pyongyang Radio Pyongyang in Korean to South Korea 0700 GMT 11 Apr 96

[FBIS Translated Text] Song Ho-kyong, DPRK ambassador to Cambodia, paid a farewell visit on Cambodian King Norodom Sihanouk on 8 April.

At the meeting, the ambassador conveyed greetings from the Great Leader Comrade Kim Chong-il to King Norodom Sihanouk. The king expressed deep gratitude and requested that the ambassador convey to the great General Kim Chong-il his wishes for his long life and good health and success in his noble work.

The king said that because the Great Leader President Kim Il-song founded the chuche idea and made immortal achievements in his lifetime, he lives in the hearts of his own people and the Cambodian people and lives forever with mankind.

The King noted that the noble cause of independence and prosperity of mankind pioneered by the great leader is brilliantly inherited and developed by the great General Kim Chong-il today, and stressed that he confirms that as he himself promised the great two persons, the Cambodian position of recognizing and supporting only the DPRK's reunification policy and the DPRK will never change.

Also present on the occasion were Queen (Norodom Moninies Sihanouk Aka) and (?military officer) (Yuri Koksang).

DPRK: SRV Embassy Officials Visit Kim Il-song Statue

SK1004224996 Pyongyang KCNA in English 1017 GMT 10 Apr 96

[FBIS Transcribed Text] Pyongyang, April 10 (KCNA) — Nguyen An Duy, charge d'affaires ad interim of the Vietnamese Embassy here, and embassy officials today visited the statue of the great leader President Kim Il-song on Mansu Hill on the occasion of April 15.

They laid bouquets before the president's statue and made a bow.

DPRK, Ethiopian Government Delegations Discuss Relations

SK1004224896 Pyongyang KCNA in English 1019 GMT 10 Apr 96

[All Ethiopian names as received]

[FBIS Transcribed Text] Pyongyang, April 10 (KCNA) — Talks were held at the Mansudae Assembly Hall today between the government delegations of the DPRK and Ethiopia.

Present at the talks on our side were Yun Ki-chong, minister of finance, Choe Pong-su, vice-chairman of the State External Economic Affairs Commission, and other officials concerned and on the opposite side were the members of the Ethiopian Government delegation led by Sufian Ahmed, minister of finance, and Fekade Selassie, charge d'affaires ad interim of the Ethiopian Embassy here.

The two sides discussed the question of further developing the relations of friendship and economic cooperation between the two countries.

DPRK: Kim Chong-il Sends Thanks to Various Units, Workers

SK1104031496 Pyongyang KCNA in English 0303 GMT 11 Apr 96

[FBIS Transcribed Text] Pyongyang, April 11 (KCNA) — The great leader Comrade Kim Chong-il sent thanks to the Kangson Industrial Construction Company, the Metal Works Construction Company No. 22, the Nampo Municipal Revolutionary Site Preservation Office, and other units and Yi Chong-min, a worker of the Nampo Export Garment Cooperative, and his wife, Choe Yong-pun, a worker of the Nampo Hotel, and many other working people in Nampo Municipality for contributing to preserving the statue of the great leader President Kim Il-song better with infinite loyalty and filial piety.

DPRK: Foreign Musicians Perform in Honor of Kim Il-song

*SK1004225596 Pyongyang KCNA in English
1006 GMT 10 Apr 96*

[FBIS Transcribed Text] Pyongyang, April 10 (KCNA) — Songs praising the Great Leader President Kim Il-song, who devoted his whole life to mankind's cause of independence, as the sun of chuche are sung aloud by participants in the 14th April Spring Friendship Art Festival.

The programs of the first performances at theatres in Pyongyang on Tuesday included many pieces singing of the eternal spring of April for humankind.

The Cambodian artistes sang "Song of General Kim Il-song" and "The Leader Will Always Be With Us." After singing the songs, they shouted in Korean "the Great Leader Comrade Kim Il-song will always be with us" when the audience were moved to loud applause and tears.

The Romanian artistes played the Korean song "We Miss His Sunny Smile" successfully representing the deep longing of the Korean people and revolutionary peoples around the world for President Kim Il-song.

The artistes of the Ukrainian folk dance group put on the stage vocal solos, instrumental chorus, dances and other numbers they had long prepared to make a distinguished contribution to the current festival.

Many numbers put on the stage highly lauded the Great Leader Comrade Kim Chong-il, who is carrying forward the president's chuche revolutionary cause.

The third movement "No Motherland Without You" of the orchestral music "We Salute You" conducted by Murad Kazulayev from Russia, former Soviet people's actor, impressed the audience for refined skills of performers, furnishing an illustration of the high level of the current festival.

The Cuban artistes sang in chorus "No Motherland Without You" in high praise of the greatness of General Kim Chong-il.

The foreign artistes also impressively represented the customs and national sentiment of their peoples as well as their achievements in the effort to achieve independence and build a new life.

DPRK: Kim Il-song Work on Environmental Protection Remembered

*SK1004225796 Pyongyang KCNA in English
0947 GMT 10 Apr 96*

[FBIS Transcribed Text] Pyongyang, April 10 (KCNA) — Today marks the 10th anniversary of the publication of "On Improving the Work of Protecting the Environment", a famous work of the Great Leader President Kim Il-song (April 10, 1986).

In the work, President Kim Il-song gave all-round answers to important and principled matters, such as the essence and requirement of the environmental protection in socialist society and the principle, task and methods in this domain.

President Kim Il-song, who considered the environmental protection to be a weighty work vital to existence and activities of mankind, saw to it that the law on environmental protection was endorsed at the Fifth Session of the Seventh Supreme People's Assembly in April 1986 and defined the environmental protection as an important one of the state activities.

He wisely led the efforts to press ahead with the work to trim the nation's environmental appearance on a better basis so as to promote the wellbeing of the working people.

Korea has made big success in afforestation and water conservancy.

According to data available at the Forest Management Bureau of the General Bureau of Land Administration, trees were planted on 100,000 hectares of land each year and gardens were built up in major industrial areas and residential quarters.

Many ornamental forest plantations and forest reserves have made their appearance throughout the country and a large number of parks, pleasure grounds and flower gardens sprung up between cities, rural communities, factories and villages, covering hundreds of thousands of hectares.

Big success was registered, too, in prevention of pollution in line with rapid development of industry.

Gas and dust collectors and water-purification facilities are installed in large-scale factories, fraught with the danger of outflow of poisonous agents, and even in small-scale local factories.

New gas and dust collectors were developed and introduced in an extensive way and about 12,000 environmental facilities modernized on a better basis for the last five years. Tens of new observation and analysis

stations were built for making regular analysis of environmental conditions.

The nation's air pollution limit is well agreeable to the international level of air protection limit. Sanitary level of water and soil stands at the world's advanced level.

Animal resources are on a steady increase in the country.

In the past 10 years alone, 20 species of birds and 40 species of animals were found on a new basis.

It is not unusual that various species of birds including the pheasant are found in the vicinity of chemical factories and steel plants and fishes swarm in rivers and lakes.

In Korea, there are 6 nature reserves including Mt. Paektu, Mt. Kumgang and Mt. Myohyang, 29 animal and plant reserves and ten sea-bird reserves and fishery reserves.

DPRK: Youth Symposium Held on Anniversary of Kim Il-sung's Birth

*SK1104034896 Pyongyang KCNA in English
0317 GMT 11 Apr 96*

[FBIS Transcribed Text] Pyongyang, April 11 (KCNA) — A symposium of officials in youth affairs was held here on Wednesday [10 April] on the occasion of the 84th birth anniversary of the great leader President Kim Il-sung.

The symposium focused on undying feats performed by President Kim Il-sung for the development of the Korean youth movement and happy future of the young people.

The speakers noted at the symposium that the youth issue is one of important affairs into which President Kim Il-sung put his heart and soul throughout his life and it is one of his greatest exploits for the fatherland and the revolution that he splendidly brought up the Korean young people to be creditable successors to the revolution.

They pointed out that the glorious and brilliant revolutionary history of President Kim Il-sung began with working with youths and it is a great history during which he tided over the difficulties of the revolution and recorded only victory, by depending on their inexhaustible strength and wisdom with invariably firm belief in them.

The speakers underlined that they should faithfully uphold the leadership of the great General Kim Chong-il so as to creditably discharge the honourable mission and duty of the youth league, which is named after the fatherly leader President Kim Il-sung.

The symposium was attended by secretary of the Workers' Party of Korea Central Committee Kim Chung-nin, officials concerned, officials in youth affairs and members of the youth league.

DPRK: Kim Il-sung's Birthday Commemorated Overseas

*SK1004225196 Pyongyang KCNA in English
1011 GMT 10 Apr 96*

[FBIS Transcribed Text] Pyongyang, April 10 (KCNA) — The birthday of the great leader President Kim Il-sung has been commemorated in different countries.

A meeting was held in Rodina House, Moscow, under the sponsorship of the Russian Communist Workers' Party and the Working Russia Movement on April 3.

Cuban poets met in Havana on April 5 to recite their poems revering President Kim Il-sung.

Seminars on the immortal revolutionary exploits of the president took place at the Group for the Study of the Chuche Idea of Bulgaria and the Jordanian Centre for the Study of Independence.

Speakers stressed that President Kim Il-sung founded the chuche idea, devoted his whole life to the cause of independence of humankind and socialism and performed immortal exploits.

A seminar titled "Comrade Kim Il-sung, Father of Socialist Korea" took place at the Group for the Study of the Chuche Idea of the Dar-es-Salaam Teachers' Training College of Tanzania.

Mujuhim al-Harisha, general secretary of the Jordan National Assembly Party, and members of its leadership, and Ali Houdou, general secretary of the Construction Workers' Party of Benin, paid a courtesy call on the DPRK embassies in their countries on the occasion of April 15.

DPRK: 'Absolute Worship,' 'Yearning' for Kim Il-sung Noted

*SK0904221996 Pyongyang KCNA in English
0943 GMT 9 Apr 96*

[FBIS Transcribed Text] Pyongyang, April 9 (KCNA) — An endless stream of working people from all walks of life, soldiers of the People's Army, students and schoolchildren visit the statues of the Great Leader President Kim Il-sung on Mansu Hill in Pyongyang and across the country, the revolutionary battle sites and historic sites which are associated with his leadership exploits and lay floral baskets and bouquets before them on the threshold of April 15, his birth anniversary.

The absolute worship and yearning of the Korean people for the president are growing deeper as days and years go by.

The Great Leader Comrade Kim Chong-il said:

"It is our people's heartfelt unanimous desire to revere the leader unfailingly and hold him in high esteem."

The people are keeping the steadfast faith and will to hold President Kim Il-song, the father of socialist Korea, in high esteem as the eternal leader of the Korean revolution. With their faith and will embodied, the Kumsusan Assembly Hall, where the president was leading the cause of the party, the state and global independence in his lifetime, was consecrated as the Kumsusan Memorial Palace where he is preserved in state in July 1995, the first anniversary of his death. The palace is the greatest national treasure of the Kim Il-song nation, the supreme temple of *chuche*.

And his smiling image, which was seen at the time of the ceremony of paying the last farewell to the president on July 19, 1994, can be seen in major streets in Pyongyang and provincial capitals, cities and counties.

The Korean people put up in the streets, villages, at organs, enterprises and working places the slogans "The Great Leader Comrade Kim Il-song Will Always Be With Us" and "Let Us Arm Ourselves More Firmly With the Revolutionary Ideas of the Great Leader Comrade Kim Il-song!" in reflection of their firm will to hold him in high esteem for all ages and accomplish the revolutionary cause of *chuche*, true to his behests.

Carved on natural rocks of Mt. Kungang and Mt. Myohyang, the famous mountains of Korea, were the letters "The Great Leader Comrade Kim Il-song Will Always Be With Us" and "Let Korea Be Proud of Having Been Led by the Greatest Comrade Kim Il-song in the National History of 5,000 Years!"

Documentary films showing his revolutionary activities were widely screened at cinema units and on TV and a long epic "Comrade Kim Il-song, Our Eternal Leader" and many other literary and art works and fine works have been created and published.

The monument to party foundation was erected in Pyongyang on the occasion of the 50th anniversary of the Workers' Party of Korea in 1995 in order to hold the president in higher esteem than in his lifetime and glorify his great name and immortal feats down through generations. The League of Socialist Working Youth of Korea was renamed the Kim Il-song Socialist Youth League in January 1996.

The Central Bank of the DPRK issued the souvenir coin "The Great Leader Comrade Kim Il-song Will Always Be With Us" in gold and silver in February last year.

Though his heart stopped beating, his August name and kind image are immortal in the hearts of the Korean people and his great revolutionary feats are shining long.

DPRK: NODONG SINMUN Dedicates Article to World Health Day

SK0704080496 *Pyongyang KCNA in English*
0732 GMT 7 Apr 96

["World Health Day" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, April 7 (KCNA) — NODONG SINMUN today dedicates an article to the World Health Day.

The author of the article says that the World Health Organization (WHO) has carried on the work of eliminating the social sources of starvation, poverty and diseases in the world and providing civilized living environment of mankind.

The author goes on:

The who is now striving to establish a new international cooperative relations for preventing the proliferation of AIDS and Ebola virus and removing attacks of all kinds of epidemic diseases.

In Korea the line of preventive medicine of the Workers' Party of Korea has been long carried through and the well-organized medical service system established across the country, so that the average life expectancy is on the steady increase.

Korea is making great efforts for the development of the international health work, taking normal contacts with the World Health Organization.

Korea will contribute to sincerely discharging the mission of the WHO and actively strive for strengthening and development of the WHO.

DPRK: Chongnyon Central Standing Committee Official Arrives

SK0904222596 *Pyongyang KCNA in English*
1111 GMT 9 Apr 96

[FBIS Transcribed Text] Pyongyang, April 9 (KCNA) — Kim Su-sik, vice-chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon), arrived here today by air to visit the socialist homeland.

DPRK: Vice Minister Attends Spring Festival Dance Performance

*SK1004225296 Pyongyang KCNA in English
1008 GMT 10 Apr 96*

[FBIS Transcribed Text] Pyongyang, April 10 (KCNA) — Those participating in the 14th April Spring Friendship Art Festival saw a legendary dance drama "A Touch-Me-Not" at the Pyongyang Grand Theatre on April 9.

The drama tells a story about a beautiful and good-natured girl who died in protest to the exploiter class against its scheming to violate her.

Seeing together with them were Kim Yong-sin, vice-chairman of the Festival Organising Committee and vice-minister of Culture and Art, officials concerned and working people in the city.

DPRK Middle School Graduates 'Volunteered' To Join KPA, Farms, Mines

*SK0604100496 Pyongyang KCNA in English
0957 GMT 6 Apr 96*

[FBIS Transcribed Text] Pyongyang, April 6 (KCNA) — Graduates from senior middle schools have volunteered to join the Korean People's Army [KPA] and work in toilsome and difficult domains of socialist construction.

A forum of graduates from senior middle schools in Pyongyang was held some days ago, at which students of the younger generation made clear their hope and aspirations.

At the forum the graduates expressed their determination to be enlisted in the KPA, whose supreme commander is the respected General Kim Chong-il, so as to defend him with their lives and glorify their youthful days.

The students of class A of the sixth grade at Pyongyang Ogayu Senior Middle School vowed to serve in the army at the post on Height 351, a place associated with the immortal feats of General Kim Chong-il's leadership over the army building.

This year, in Pyongyang alone, tens of thousands of students volunteered to join the army.

And many graduates from Yonmot Senior Middle School, Pulgunbyol Senior Middle School and other senior middle schools in the city volunteered to work at coal mines and on cooperative farms.

DPRK: Kim Il-song's Guidance Over Afforestation Viewed

*SK0604094696 Pyongyang KCNA in English
0932 GMT 6 Apr 96*

[FBIS Transcribed Text] Pyongyang, April 6 (KCNA) — April 6 is tree-planting day which is observed in Korea every year.

The day symbolizes the historic day when the great leader President Kim Il-song kindled the torchlight of afforestation on the land of the country.

On the day in 1947, 49 years ago, President Kim Il-song climbed Mansu Hill in Pyongyang, planted trees and unfolded the grand plan to cover all the mountains and fields of the country with green foliage. True to his noble intention, the Korean people set tree-planting months in spring and autumn every year and planted many trees on mountains and fields and in towns and villages.

As tree-planting was briskly conducted on a massive campaign, he made a scientific analysis of the whole forest resources of the country from the chuche-based viewpoint and said that a large number of rapidly-growing trees of high economic value should be planted. And he indicated all the matters arising in tree planting and growing including the question of building up sapling gardens and growing many saplings to suit the climatic and soil conditions and the question of putting the work of creating, protecting and conserving forests on a scientific and technological basis.

The far-reaching plan of President Kim Il-song to cover the whole lands of the country with green foliage has been brought into fuller bloom thanks to the wise guidance of the great leader Comrade Kim Chong-il.

Saying that to increase forest resources is a worthwhile work for the development and prosperity of the country and the happiness of posterity, Comrade Kim Chong-il planted trees on Mt. Changja, Mt. Chang, Moran Hill and Nungna Islet, opened the bright prospect of afforestation and took all steps for its materialisation.

Particularly, he set forth the concrete orientation and ways to plant many trees of high production and economic use and actively encouraged all the people to its realisation. As a result, all the mountains of the country have turned into "golden mountains" and "treasure mountains" and fields, rivers, streets and villages are covered with green foliage.

The accumulation of forests has already increased over five times compared with the pre-liberation days of the country (August 1945).

DPRK Editorial Stresses Unity in This Year's Endeavor

962C0041A *Pyongyang NODONG SINMUN*
in Korean 26 Jan 96 p 1

[Editorial: "Let Us Vigorously Accelerate This Year's Onward March by the Power of the Tight Wholehearted Unity Forged Around the Party"]

[FBIS Translated Text] Our people, more hardened and stalwart through severe ordeals, are now vigorously accelerating this year's all-out onward march, brimming over with confidence and optimism.

This year's all-out onward march is a sacred struggle to powerfully demonstrate before the whole world the spirit of the *chuche* Korea by strengthening the three major fortresses of our type pattern of socialism, namely, the political-ideological, economic, and military fortresses. It is a worthy forward movement designed to give play to the mettle of our heroic people nurtured by the great party and leader to the hilt.

A decisive guarantee for winning victory in this year's struggle, which will open a new chapter in the history of our ceaselessly prospering fatherland, lies in effecting a new turnaround in socialist construction by the power of the wholehearted unity of all our people rallied firmly around the great leader [yongdoja] Comrade Kim Chong-il.

The great leader [yongdoja] Comrade Kim Chong-il pointed out as follows: "Just as we moved forward in the past by breaking through difficulties by the power of wholehearted unity of the party and the people, so we must continue to explore the road to victory and glory by the power of wholehearted unity in the future."

Wholehearted unity is the revolutionary philosophy of our party and the banner of invincibility.

Our revolution was explored and has forged ahead victoriously by the power of the wholehearted unity of the leader, the party, and the people, united tightly with one and the same mind. Throughout the long, trying course of the Korean revolution, our party has relied on the masses of people, trusting them as the fountainhead of its life and as an inexhaustible source of its energy. The people on their part have continued to fight, giving their all for the sake of their leader and party, with an absolute faith in them. When the leader, the party, and the people become one in body and spirit and fight by the power of this unity, it will become possible to crush any aggressive maneuvers of the imperialists and add glory to our way of socialism amid a mountain of barriers and ordeals. This is a valuable conclusion drawn from the summation of the practical experience of our revolution festooned with victories and glories.

It was because they fight by the power of wholehearted unity that our people won a brilliant victory in every aspect of the revolution and construction last year, overcoming a milliard of barriers. Last year the imperialists and reactionaries maneuvered viciously in an attempt to isolate and strangle our republic, the bastion of socialism, by raising numerous obstacles in our way. But no challenge and ordeal in the course of history could break the faith and determination of our people staunchly continuing to fight.

Last year the wholehearted unity of our people solidified further, with its invincible strength demonstrated fully through the events marking the 50th founding anniversary of the party. Only by living with the thought of wholehearted unity and fighting staunchly by its strength as we did last year, will we be able to achieve brilliant victory in socialist construction and demonstrate the honor and dignity of the socialist Korea all the more powerfully.

We are faced with huge tasks this year. This year we have to carry out numerous Herculean tasks, such as consolidating our political-ideological fortress more firmly and effecting a new upturn in economic construction. This requires all our people to give play to the power of wholehearted unity more intensely than ever before.

Our wholehearted unity is so powerful that it enables us to break through mountains of barriers and wade through vast seas of fire.

The tradition of our wholehearted unity was founded and ceaselessly solidified with the advance of the *chuche* cause, a just cause; and this unity has become evermore durable and unshakable since the fatherly leader passed away. Our people are moving forward sharing the same fate with the respected and beloved General Kim Chong-il, determined to move forward in this way to the end and cherishing deep in their hearts the rock-firm conviction that we have our fatherland, our own type of socialism, and our own fate and future because we have the great leader [yongdoja] Comrade Kim Chong-il. This is precisely the current ethos of our people. With wholehearted unity all our people follow their leader [yongdoja], believing in him as in heaven. When all our people vigorously accelerate the revolution and construction by the power of this unity, there will be no fortress that we cannot capture, and we will be assured of victory in this year's endeavor.

This is the 70th year since the great leader Comrade Kim Il-song laid the beginning of our revolution under the glorious banner of the Down-With-Imperialism Union [UID] and a historic year which will open a new, significant chapter in the annals of the struggle of our

party and people who are carrying on the tradition of unity by holding the respected and beloved General Kim Chong-il in high esteem.

By bearing deep in their minds the significance of this year in the histories of our party and fatherland, all party members and workers must solidify wholehearted unity, the fountainhead of life and living, all the more firmly, and accelerate the revolution and construction by its invincible power, so that they may powerfully demonstrate the mettle of the socialist Korea before the whole world. That is where we can find the way to give full play to the invincibility of our wholehearted unity, the most precious piece of inheritance which the great leader spent his whole life to prepare, as well as the way to hasten the independent unification of the fatherland and the complete victory of socialism. Let us rally more closely around the general [Comrade Kim Chong-il] holding the banner of the red flag high! This is precisely the banner of struggle and progress and the slogan of the creed which our people must go forward holding high in the current all-out, onward drive.

We must above all resolutely support and protect the great leader [yongdoja] Comrade Kim Chong-il and loyally hold him in high esteem.

The great Comrade Kim Chong-il is the center and the eternal guardian of the wholehearted unity of our party and revolutionary ranks which will be passed on from generation to generation. Through their practical experience in life in the past scores of years, our people came to understand the greatness of the respected and beloved general in the depths of their hearts, and rallied around him like bedrock with faith and a sense of moral obligation. Fidelity to the great Comrade Kim Chong-il is cherished wholeheartedly by all our people, from anti-Japanese fighters, the first generation of our revolution, down to the growing, new generation. This fidelity is the kind of rock-firm faith that never changes in any violent storm, and it is immaculately clean and pure.

All functionaries, party members, and workers must hold fast to their faith in and moral obligation to the great leader to the end, regarding them as more precious than their own lives. We must hold the great Comrade Kim Chong-il in high esteem forever as the center of unity and leadership and as our eternal supreme commander, and preserve our wholehearted unity, the most precious of all gains in our revolution, like the apple of our eyes.

The power of our wholehearted unity is brought into play when all of our people are armed firmly with the thought of wholehearted unity—our party's revolutionary philosophy—and live and struggle according to its demands.

Every party member and every worker should not forget, even for a moment, how the great leader and the respected and beloved General Kim Chong-il put great efforts, heart and soul, into forging wholehearted unity among the ranks of our revolution. They must go forward implementing the thought and theory developed amid these efforts by gripping them as their lifelines. We must bear deep in our minds that the way to hold the leader forever in high esteem and hold fast to his last teachings to the end lies in stalwartly preserving our wholehearted unity and continuing to glorify it by passing it on from generation to generation. With that in mind, we must resolve all problems arising in the revolution and construction by making solutions contingent upon strengthening our wholehearted unity. All party members and workers must comprehend as a matter of conviction and thoroughly implement the profound thought expounded in the great leader [yongdoja] Comrade Kim Chong-il's classic masterpiece "Respecting Senior Revolutionaries Is a Lofty Moral Obligation of Revolutionaries." By doing so, they should make the whole society brim over with a noble sense of moral obligation, and never allow even the slightest elements contradictory to the thought of unity to penetrate our revolutionary ranks.

In accelerating this year's all-out onward drive by the power of wholehearted unity, it is also important for all party members and workers to give greater play to the spirit of absoluteness and unconditionality in the implementation of the party plans and intentions.

The power of our wholehearted unity is the power driving the entire party, the whole arm, and all the people to launch as one into implementing party plans and intentions.

Currently, our party is leading socialist construction to brilliant victory by unfolding bold operations with a far-reaching vision and faith in victory. Reflected in our party's vision is the noble desire to make our country, our fatherland, with a long history of 5,000 years, richer and stronger and radically improve our people's standard of living by thoroughly implementing the leader's last teachings.

All functionaries, party members, and workers must accept party plans and intentions as a vital requirement and supreme order, and thoroughly implement them in a timely fashion and unconditionally, without even the slightest pretext or excuse. In all sectors and units in socialist construction, people must feed the flames of creation and innovation and fulfill their assigned combat goals for this year without fail, holding high the slogan "Whatever the party decides, we do it!"

This year we must continue to exert great efforts to implement the party's revolutionary economic strategy by upholding party intentions so that we may decisively increase agricultural production and the output of consumer goods and bring about a new turnaround in foreign trade at the same time. Functionaries and workers in the coal, metal, and electric industries and in the railway transportation sector—who are guarding the most important front in the fight to implement the party's revolutionary economic strategy—must take the lead and open the assault road for this year's fighting.

Today our party demands that all party members and workers give full play to the spirit of the "arduous march" in this year's all-out onward drive by holding the red flag high.

The spirit of the "arduous march" is the optimistic spirit of breaking through any barriers head-on by the power of faith and determination—the indomitable revolutionary spirit of fighting by overcoming hardship with fortitude, not knowing of defeatism or wavering under any adverse circumstances. When all our people live and fight by this spirit forged in the Paektu forests, our wholehearted unity will solidify further and they will achieve a major victory in socialist construction.

All party members and workers must break through all encountered barriers with the spirit of the "arduous march" by adhering to the thought that making revolution is all that they need to do. We must move forward one step, and the next, and fight, and then move forward again, with an indomitable faith and determination, just as our first-generation revolutionaries fought, giving their all to bring the springtime of restoration of independence to their fatherland by enduring all kinds of ordeals. We must vigorously bring the heroic spirit of the people into play in the all-out onward march to glorify our type of socialism. We must do away with slothful indolence and laxity, work intensely and militantly, and work and live in the manner of the anti-Japanese guerrillas to suit the demands of the age of revolution, the age of struggle.

It is very important to enhance the role of functionaries and party organizations in accelerating the all-out onward march by the power of wholehearted unity.

All party organizations must make party members, workers, and the growing generation fully realize the invincible power of our wholehearted unity so that they may launch as one into the all-out, onward drive in the new year, with faith in sure victory and with optimism. Party organizations must carry out aggressively, in various forms and by various methods, indoctrination work designed to arm party members and workers firmly with our party's philosophy of wholehearted unity, so that

the entire party and the whole society may brim with infinite loyalty to the great leader [yongdoja] and with revolutionary camaraderie and the spirit of collectivism.

Party organizations must thoroughly implement our party's politics of benevolence by holding high the slogan "Serve the people" to band broad sections of masses of people more closely around the party and leader and work ranks of our party and revolution solidly into a harmonious whole, a community bound together by common ideology, common desire, and common destiny and future.

How powerfully we will be able to give full play to the power of wholehearted unity depends largely on our functionaries. In accordance with the requirements of the Chongsan-ri spirit and the Chongsan-ri method, functionaries of party, state, and economic guidance organizations must go deeply among the masses to fully discharge their duty as servants of the people and vigorously inspire the workers to still greater achievements.

No force on earth can arrest the onward march of our people who are forging ahead, united around the great leader [yongdoja] Comrade Kim Chong-il with one and the same mind. All party members and workers must win a brilliant victory in this year's all-out forward march by giving greater play to the spirit of wholehearted unity, treasuring their good luck in having a succession of such outstanding leaders from generation to generation.

DPRK Article Blames Modern Revisionists for Fall of Socialism

962C0043C *Pyongyang NODONG SINMUN*
in Korean 30 Dec 95 p 6

[Article by Kim Chong-ok: "The Machinations of the Modern Revisionists Which Opened the Beginning of the Collapse of Socialism"]

((FBIS Translated Text)) In his immortal classic "It Is a Lofty Moral Obligation for Revolutionaries to Respect Revolutionary Elders," the great leader [yongdoja] Comrade Kim Chong-il once again elucidated the process of degradation and collapse of socialism.

The great leader [yongdoja] Comrade Kim Chong-il pointed out as follows: "The process of degradation and collapse of socialism set in when modern revisionism made its debut and began to slander the leaders and the revolutionary elders and distort and degenerate the working class and the revolutionary thoughts."

Inheriting the socialist cause is in itself the act of inheriting the leader's cause, the inheritance of the leader's revolutionary thought and revolutionary accomplishments.

Being loyal to the leader who pioneered the road to socialism for the first time; protecting, preserving, and glorifying his thought and accomplishments; and doggedly safeguarding the revolutionary spoils won with blood—all this is none other than the process of fulfilling the socialist cause. Therefore, the attitude toward and the pride in the leader and his achievements constitute a yardstick for differentiating between revolutionaries and counterrevolutionaries.

The socialist cause demands that a staunch struggle be waged against any attempt to undermine the authority of the leader and obliterate his achievements. Particularly under the circumstances in which the imperialists and the reactionaries are viciously intensifying their machinations against socialism, this requirement becomes an all the more important issue. Unless this issue is settled correctly, the socialist cause would collapse. This truth is corroborated by the process of collapse of the Soviet Union.

The modern revisionists, upon seizing the leading positions of the state in the old Soviet Union by means of intrigue, committed the act of betrayal by debasing the leader and revolutionary elders and stamping out their accomplishments, thereby opening the door to the collapse of socialism.

The modern revisionists began by scheming viciously to debase Stalin and obliterate his accomplishments. Stalin, the heir to Lenin, inheriting Lenin's cause, built the world's first socialist state into a world power and defended the socialist fatherland against the fascist aggression by leading the Soviet army and people. In his reign Stalin represented the aspirations and demands of the Soviet people, and the socialist cause in the Soviet Union became inseparable from his name.

The modern revisionists who seized the supreme power in the Soviet Union by all conspiratorial means after the death of Stalin in 1953 cast away their "loyalty" to Stalin like a worn-out pair of shoes and schemed viciously to wipe out this prestige and achievements. During their visit to Yugoslavia in 1995, they criticized Stalin at a formal occasion. This event drew worldwide attention. Some quick Western media vied with each other to come up with reports speculating that there would be a great anti-Stalinist uproar in the Soviet Union in the future.

As a matter of fact, beginning in 1956 there was a large-scale anti-Stalinist racket in the Soviet Union. The report delivered to the 20th CPSU Congress in February 1956 stressed the need for "peaceful coexistence" between socialism and imperialism, contrary to Stalin's thought that struggle between socialism and imperialism is inevitable in the process of advance of socialism.

Another report slandered and vilified Stalin by calling him a "oppressive dictator" and a "tyrant." The modern revisionists, while belittling Stalin's achievements in the building of socialism and in the fatherland liberation war, went so far as to defame him preposterously as the "criminal" who stalled the nation's economic development and harmed the international communist movement, and as an "incompetent military strategist" who did not know how to command military operations. In this way Stalin's authority, which had been considered absolute until that time, began to deteriorate rapidly.

On the other hand, the modern revisionists resorted to crafty ruses to add fuel to the anti-Stalin sentiment of the subversive forces in order to wage an anti-Stalin campaign. They staged the show of rehabilitating the "honor" of the numerous people who had been executed in the Stalin era as anti-party, counterrevolutionary elements. They also allowed the publication of writings and papers totally negating and criticizing the history of the Stalin era. As a result, Stalin's activities were distorted systemically and deliberately and their distorted reports began to be disseminated in textbooks, writings, movies, papers, and television and radio broadcasts dealing with the socialist revolution and the building of socialism in the Soviet Union and the history of the fatherland liberation war. By so doing, the modern revisionists caused ideological unrest and confusion among the Soviet people, opening the way for the imperialists and the reactionaries to vilify the socialist cause all the more viciously.

The anti-Stalin machinations of the modern revisionists reached their climax when they took out Stalin's remains enshrined on the Red Square and cremated them in an act of betrayal.

The modern revisionists also exerted efforts to defame Stalin's comrades in arms and obliterate their achievements. Sound revolutionary elders had their dignity defiled and their positions taken away by the modern revisionists.

By negating socialist ideology, the modern revisionists distorted and degenerated the revolutionary thought of the working class. They negated socialist, communist ideology in the building of socialism and put materials at the center of attention by emphasizing the importance of material factors alone. In an article a Japanese reporter noted that it was due to communist ideology that the Soviet Union was able to bind more than 100 diverse nationals into one unified body. He stated that "if communist ideology is lost, chances for the Soviet Union to remain as a unified state will become slim." The revisionist line of the modern revisionists is a counterrevolutionary one which tore asunder communist

ideology, the ideological foundation for the existence of the Soviet Union, and opened the beginning of the collapse of the Soviet Union.

The modern revisionists maintained that the most important thing to do in time of peace is avoid confrontation and war as much as possible and develop the economy by mobilizing human and material resources to the fullest extent. That, they argued, is the best way to inherit Marxism-Leninism correctly. But it turned out to be nothing more than a vulgarization of Marxism-Leninism. The modern revisionists argued that "Marxism-Leninism will taste better when a lot of butter is spread on it." Found in these words is the concentrated expression of their domestic and foreign policies.

Advocating "transition from the dictatorship of the proletariat to the state of all the people," the modern revisionists said they would turn the Soviet Union into a communist society in 20 years or so, in a ploy to win the goodwill of the people. It was out of the question that a policy formulated by an extemporary decision and dogmatism, without any prudent calculation and feasibility, could be put into practice.

With ideological factors ignored by the modern revisionists in the building of socialism while stressing material and economic factors alone, egoism came to grow rapidly among the people of the Soviet Union.

The modern revisionists gradually weakened the leadership role of the party. They clung to the line of unprincipled compromise with imperialism while implementing the policy of "peaceful coexistence." They thought that any military confrontation with the imperialists was senseless in itself, because, according to them, the aggressive nature of the imperialists had changed. They thus overtly and covertly preached the disarming of socialist countries.

However, the aggressive nature of imperialism is unchangeable. When the Caribbean crisis cropped up in October 1962, the U.S. administration adopted the decision to blockade Cuba. That was the gauntlet flung down to the Soviet Union by the United States before the whole world. The situation was so tense that a war between the Soviet Union and the United States seemed imminent. Under the circumstances, it seemed that the one would become the victor or the loser depending on whether the other would yield or not. The modern revisionists, cowed by the tough stand of the United States, surrendered to it in the end. Seeing the Soviet Union show the white feather, the United States became so emboldened that it came to demand the dismantling of the Soviet missile site in Cuba. The United States got away with this demand. During the Caribbean crisis the

Soviet Union was subjected to an unbearable shame and humiliation before the whole world, and its prestige was damaged beyond repair because of the "peaceful coexistence" policy of the modern revisionists. In this way, socialism in the Soviet Union, kept off the right track by the modern revisionists, began to crumble rapidly from within.

Scores of years after that, the Soviet national flag was lowered from above the Kremlin with the collapse of the Soviet Union. The modern revisionists, through their anti-socialist maneuvers, opened the way for the collapse of the Soviet Union, which the armed intervention of the imperialist allied forces could not bring down and which even the millions of fighting men of the regular armed forces of the fascist Germany could not destroy; and in the end the Soviet Union crumbled overnight.

The collapse of the Soviet Union left the dire lesson that it is impossible to preserve socialism unless the authority of the leader is protected staunchly and his achievements are safeguarded thoroughly. If the anti-socialist machinations of the modern revisionists to defame the leader and distort and denigrate his revolutionary thought had been seen through and crushed underfoot on time, socialist ideology would have been preserved in the Soviet Union and the tragedy of the collapse of the Soviet Union would have been averted.

As elucidated by the great leader [yongdoja] Comrade Kim Chong-il, historical experience tells that if the leader is defamed, if his achievements are obliterated, if his revolutionary thought is distorted and degenerated, the revolution will be stymied midway and the socialist gains won with blood will go down the drain.

DPRK Paper Notes Kim Chong-il's Role in Weapons Modernization

962C0024B *Pyongyang MINJU CHOSON in Korean*
21 Dec 95 p 2

[By reporter Hong Tong-chol, part of the series entitled "Highly Upholding the Peerless Great Man": "The Great Commander Who Built Up the Nation's Self-Reliant Defense"]

[FBIS Translated Text] We will soon mark the fourth anniversary of the assumption of office by the respected and beloved commander in chief [changgun-nim] as the supreme commander of the Korean People's Army [KPA]. It was a day of glory and great significance, and today we, with immensely deep emotions, look up to the image of the great leader [yongdoja] Comrade Kim Chong-il as respectfully shown in this page.

Each and every day he has led our revolutionary armed forces—the world's invincible, strongest armed might, flawless both in its political and ideological preparedness and in its technological combat equipment. The respected and beloved commander in chief put his body and soul, sparing no pains, into developing the mighty self-reliant defense power.

Today the KPA, firmly united as one in body and spirit around the respected and beloved supreme commander, is known for its mightiness as a combat force with high political and ideological preparedness to be the bullets and shells that sacrifice themselves for the commander in chief.

The KPA's invincibility and mightiness is backed firmly by our powerful, up-to-date weapons and equipment built up under the sagacious leadership of the respected and beloved commander in chief.

Inheriting the lofty will of the Great Leader, who early on proposed the ideology of building a self-reliant national defense and who led the nation to place the entire army and all the people under arms on our own, the respected and beloved commander in chief—who knows the changing situation and global developments in military equipment like the back of his hand—has unceasingly strengthened our military force into the most dynamic combat force equipped with ever more powerful and up-to-date technological combat equipment against the ceaseless provocations and aggressive maneuvers by enemies.

Generally, weapons are a major element of defense.

Our armed forces, which are incomparably superior to the imperialist forces in political ideological strength, ought to surpass enemies overwhelmingly in military equipment, too, and be prepared to respond to any enemy aggression and crush it at one stroke.

In particular, the fact that imperialist aggressor forces, chanting the theory that "arms are almighty," are unceasingly manufacturing countless up-to-date weapons of mass destruction and the fact that they are maneuvering to stifle us to death with them, demand that we make and possess powerful military equipment and combat weapons on our own so that we can crush them at one stroke.

Our military force, under the leadership of the respected and beloved commander in chief, is superior to enemies politically, ideologically, and morally. In addition, it is well equipped with arms and equipment.

Three years ago, in April, a military parade commemorating the 60th anniversary of the KPA's founding was

held in Kim Il-song Square in Pyongyang, the capital of revolution, amid the world's attention.

With the Great Leader and the respected and beloved commander in chief seated on the high platform, iron-clad ranks marched in fine, solemn array, showing their invincible might.

The event that day inspired all our people with fresh confidence in victory and courage.

The up-to-date military equipment that shook the Kim Il-song Square that day were all products of our chuche-based industry. Our people, upholding our party's military ideology of self-reliant defense, built them with their own resources and technology.

Seeing the powerful, modernized weapons and the trustworthy look of the Army, Navy, and Air Force personnel—each prepared to be a match for a hundred—our people could not suppress deep emotions, thinking of the immortal achievements of the respected and beloved commander in chief who built such a powerful self-reliant armed might, and of the efforts he put into it.

The great leader Comrade Kim Il-song taught:

"The leadership of Comrade Kim Chong-il has brought new changes in building the revolutionary armed forces."

Indeed, the history of the modernization of our revolutionary armed forces is the history of the tested, extraordinary leadership of the great commander in chief, who elucidated, precisely and logically, that to trust and develop our own strength and realize self-reliance in defense is the only way to develop self-reliant military power, and that therein lies the most correct way to build and develop the KPA into an invincible army. He who has sagaciously led the struggle to that end.

One day in 1960, when the overall struggle for socialist industrialization was in progress in our country:

The great leader [yongdoja] Comrade Kim Chong-il went to a certain KPA mechanized unit to give on-the-spot guidance.

That day, the great commander in chief, touring the unit, instructed about the need for quick progress in the military buildup by arming the KPA with new equipment. He also instructed about manufacturing the necessary technological combat equipment on our own.

The technological combat equipment referred to that day was that being built by only a handful of the world's leading countries, which it was so costly and exorbitant that many countries could not even buy it.

In the case of our country, which had not completed its industrialization, it was indeed difficult to produce them ourselves.

However, the great commander in chief, with the iron will for carrying through the line of self-reliance in national defense, trusted the people's inexhaustible strength, deciding that they could make any high-technology combat equipment, however complicated. He spurred functionaries on to carry out that decision.

At the time, the commander in chief explained decisively that if we made and deployed such mighty weapons on our own, enemies would not dare challenge us, and that even if they did, we could destroy them at one stroke.

Soon after that, the great commander in chief, who toured a certain factory for on-the-spot guidance, said that in order to strengthen national defense, all military equipment should be made on our own. His word inspired the working class in that factory to vigorously mount the production and labor struggle under the high banner of self-reliance.

In the fall of another year, the great commander in chief took time off from his busy schedule and visited another factory. He greatly appreciated the fact that the working class there was manufacturing, with its own technology and capabilities, products that could contribute to the nation's defense buildup. He spurred functionaries and workers to new feats, saying we should produce things that suit our country's specific conditions and demands using our own strength and technology, instead of waiting for someone to bring them to us.

The history of building our powerful, self-reliant national defense is a history of the countless days the respected and beloved commander-in-chief Kim Chong-il spent giving on-the-spot guidance and providing meticulous leadership to build up our revolutionary armed forces into an unchallengeable armed might, an invincible military force flawlessly equipped with up-to-date arms.

Under the care of the great commander [yongjiang], our armed forces today are prepared to crush any enemy invasion at one stroke; our fatherland is literally an impregnable fortress, an invincible country where all people are under arms.

Last December [1994], a U.S. imperialist aircraft that violated our airspace was shot down by a single shot from an ordinary soldier of our side on his regular combat duty.

It was not just once or twice that the enemy had been punished after intruding into our territorial waters

or airspace. This time, however, the scathing incident occurred at a time when the imperialist maneuvers to stifle to death our republic, the stronghold of socialism, reached their worst point. As a result, the incident's impact on people the world over was immense indeed. The enemy always boasts of its combat equipment, showing them off. The helicopter that was shot down was, as it admitted, also an up-to-date machine that had entered service only a few years earlier. Amazing indeed was the fact that a KPA soldier shot down—with a single shot—a helicopter that was said to have proved to be a powerful weapon in an earlier war fought in a certain region.

Subsequently, Western media and military experts, struck with admiration, said: "This (the helicopter shoot-down incident) was a mental showdown between soldiers of the two sides and, at the same time, a showdown between the inherent (unknown) military potential of two countries that had been in a state of war for decades." Thus, the world once more lauded the KPA for its mightiness.

Under the leadership [yongdo] of the great commander-in-chief Kim Chong-il, our one-is-a-match-for-a-hundred revolutionary armed forces are prepared to absolute perfection, both politically, ideologically, militarily, and technologically.

Although mankind's military history contains accounts of many military commanders and generals, it knows no man of such greatness as the great commander-in-chief Kim Chong-il, who possesses both military gifts and the peerless art of command, the resourcefulness and courage of a commander, and who has made the highest achievements in modernizing technological combat equipment and in building up military equipment for the self-reliant defense.

Therefore, even at a critical time when socialism's enemies are running amok so frantically in every part of the world, and when the enemy is intensifying its military offensive daily, our people and the KPA are full of self-confidence, their voice of faith stressing that they have the respected and beloved commander in chief with them.

Because the heaven-sent great commander in chief Kim Chong-il leads the van of our revolutionary armed forces, holding the sacred sword of invincibility high in his hand, and because we have a powerful self-reliant defense, whose buildup the great commander in chief has been devoting his life to, we are bound to win. Chuche socialism will be forever triumphant and pressing ever harder on the heels of the enemy.

Our people and armed forces will forever add luster to the immortal achievements of the great commander in chief—who has built the revolutionary armed forces into an invincible might—and protect and defend the respected and beloved comrade supreme commander with their lives, holding tight in their hands the arms of revolution which the commander in chief bestowed on each of their hearts. They will follow the leadership of the commander in chief to the end and complete the revolutionary cause of chuche.

DPRK Editorial Promotes Model County Campaign
 962C0024A *Pyeongyang MINJU CHOSON in Korean*
 20 Dec 95 p 1

[Editorial: "Let Us Push the Movement to Win Model County Titles More Energetically To Meet the Demands of Developing Realities"]

[FBIS Translated Text] Today our party, leading sagaciously the struggle to make our country, our fatherland, richer, stronger, and more developed, demands that every branch and every unit accelerate the general march movement vigorously, carry through the revolutionary economic strategy thoroughly, and strengthen our way of socialism in every possible way. One of the important tasks facing local government organs in advancing the revolution and construction in accordance with the intent of the party is to further intensify the movements to win model county titles to meet the demands of the developing realities.

The great leader [yongdoja] Comrade Kim Chong-il pointed out:

"County government organs should continue to intensify and develop the movements to win various model county titles, including the model law-abiding county title, the local-budget-system model county title, and the unity-between-the-army-and-the-people model county title, the superiority and vitality of which have already been fully demonstrated."

The movements to win model county titles are mass movements to remold people ideologically, activate their revolutionary fervor and creative power, and thereby to generate collective innovations in the economic and cultural construction.

The movements' superiority and vitality have been fully demonstrated in the practical struggle for socialist construction in our country in the past period. And their force of traction is on the increase daily in accelerating local economic and cultural developments and the nation's overall socialist construction.

To further intensify the movements to win model county titles—the validity of which has been indisputably

proved in the practice of socialist construction in our country—to meet the demands of the developing realities, means gaining an important guarantee for greater successes in the revolution and construction.

To push the movements energetically is an important requirement in carrying out the three revolutions successfully and enhancing the role of the county for a turnaround in the people's livelihood.

The county is the local base and unit of socialist construction representing one 200th of the country; the movements to win model county titles are powerful mass movements that encompass activities in all areas of social life. Therefore, if we further intensify and develop the movements, we can achieve great success in consolidating the counties, and in developing the county housekeeping comprehensively and harmoniously in every aspect. Also, if we do so, we can bring about a turnaround in the nation's overall economic construction and the people's livelihood, and push ahead the three revolutions—the ideological, technological, and cultural revolutions—successfully.

To push the movements to win model county titles energetically is an urgent requirement in protecting and defending our way of socialism, and in strengthening it in every way.

Confronting us today is the task to protect and defend our way of socialism—which the former generations of the revolution gained and built up—and to bring its superiority into full play, thereby demonstrating the might of socialism as science even more powerfully. Our party, proceeding from this demand of socialist construction, set forth its revolutionary economic strategy and is taking the lead in the struggle for its implementation.

The might of socialism is its strength in all areas, the political, economic, cultural, and military areas. When we remold the ideology of people and effect innovative changes in all areas, including the economic, cultural, and military areas, through the struggle to win model county titles, the stronghold of the socialist ideology will be consolidated even firmer; if the revolutionary economic strategy set forth by the party is carried through thoroughly, the power of our way of socialism will gain even more in all areas.

Local government organs at all levels should press on in the movements to win model county titles, fully aware of the position and importance the movements occupy in the revolution and construction.

Most important in this respect is for them to bear in mind the intent of our party—the promoter and leader

of the movements—and to work with a firm resolve to carry it through unconditionally.

With a deep foresight into the importance of the movements in making our country, our fatherland—which shines with the revered name of the Great Leader—richer and stronger, the great leader [yongdoja] Comrade Kim Chong-il showed the direction and method to further intensify and develop the movements in each period, sagaciously leading the struggle to carry them out.

Functionaries of government organs should hold steadfastly to their position to carry out the intent of the great leader [yongdoja] Comrade Kim Chong-il. They should keep it engraved on their hearts. And they should bring their loyalty into full play in the rewarding struggle to realize it.

Functionaries of local government organs should make positive efforts to intensify and develop the movements to win model county titles, bearing in mind that to do so is an honorable thing to advance the revolution and construction in accordance with the intent of the party and to add luster to the leadership achievements of the party. They should also remember that to do so is the basic duty befitting them as commanding personnel raised in the bosom of the party, and as faithful servants of the people.

Functionaries should keep in mind that to push the movements to win model county titles energetically is the way to realize the intent of the great commander in chief [changgun-nim] about developing the local economy and culture and improving the people's livelihood. With that in mind, they should make an in-depth study of the program and promote the movements positively by correct methods. This is the work ethos for functionaries, who truly faithful to the party and truly serving the people, to possess. Functionaries of government organs should be on the run all the time to show the vitality of the movements to the full; they should work assiduously to answer the party's trust and the people's expectations with specific results in their work, holding aloft the slogan of faith "Once the Party Decides, We Do It!"

Also important in pushing the movements to win model county titles is to create a good social atmosphere.

Inasmuch as the movements are held by mobilizing all units in the county and with the broad masses of people participating, only when a good social atmosphere is created is it possible to bring the revolutionary fervor, creativity, and initiative of the masses into full play and achieve the pledged targets without fail.

Government organs at all levels and functionaries of the units concerned should step up the political work to

ensure that the broader masses participate in the movements with revolutionary fervor and positiveness. Functionaries should explain, and inculcate into their minds, the significance and importance of the movements and help every branch, every unit, and every individual fully understand their parts, and ways to fulfill them, in the struggle to win model county titles. At the same time, in respect to specific duties, they should conduct the political work vigorously and aggressively, in various forms and using various ways and means.

In creating a good social atmosphere, it is one of the important ways to efficiently promote activities to generalize examples that have been created. Government organs at all levels should organize experience-swap gatherings and workshops widely to disseminate results and experiences gained in the course of the movements, thereby helping the masses show greater interest in the movements and leading the struggle correctly. By doing so, they will ensure that the flames of the mass movements rage briskly throughout the country.

To replenish and renew the resolved targets constantly and fulfill them in a revolutionary fashion is another important requirement in pushing the movements more energetically.

The resolved targets in the movements are set to reflect the intent of the party, and the aspirations and demands of the people. Therefore, only by replenishing and renewing them regularly in accordance with the intent of the party and the realistic demands for each period, and by fulfilling them in a revolutionary fashion, is it possible to push the movements purposefully and aggressively as expected by the party. And only when their vitality is brought into full play can the movements positively contribute to the economic and cultural developments of the counties and to improving the people's livelihood.

Government organs and branches concerned should set their targets on a phased, specific basis in accordance with the degrees of preparedness on the part of the masses and with their actual circumstances. And when the need arises for replenishing targets while fulfilling them, they should be replenished without delay. The targets should be renewed ceaselessly based on the party line and policy for each period.

It is as important to fulfill the resolved targets in a revolutionary fashion as to replenish and renew them. The resolved targets are set not for the sake of setting them, but to be fulfilled. Therefore, once they are set correctly, all available forces and means should be mobilized into an aggressive struggle to achieve them; all should energetically struggle to bring them to bear greater fruits. The course of fulfilling the resolved

targets is by no means a smooth one; there can be many bottlenecks and difficulties lying ahead. Government organs and functionaries should be firmly determined to uplift their respective counties on their own and highly display their revolutionary spirit; in the spirit of self-reliance, they will seek out and mobilize all hidden resources and possibilities to fulfill all the resolved targets in a timely manner without fail.

In pushing the movements to win model county titles, it is important to enhance the role of the county government organ.

The movements proceed on the county basis, and the county government organ is in charge of organizing and executing the movements directly. The outcome of the movements are determined by how firmly the county government organ grasps the movements and how positively it pushes them forward.

Firmly grasping the movements to win model county titles, not as a temporary program but as a permanent one, county government organs should push them with tenacity, and convert them into committee-type work, promoting combined and cooperative operations between departments efficiently. Regarding those bottlenecks and difficulties arising in their efforts to intensify the movements, functionaries should overcome them on their own in the spirit of devotion and service for the people. Always holding the red flag of revolution aloft, they should stand in the van of the ranks and lead the masses to innovation.

To plan and coordinate the organizational work in the administrative economic areas in a substantive manner is an important task confronting the county government organs in pushing the movements energetically. Functionaries of county government organs should put their efforts and energies into the struggle to win model county titles and closely plan and coordinate the administrative organizational work, as well as the material and technological logistics, to match the lifted banner of the masses mobilized in the movements. Functionaries should always ascertain progress in the fulfillment of the resolved targets in a specific manner, and closely coordinate efforts to resolve pending problems. They should sum up progress in a correct and timely fashion, and make rearrangements wherever and whenever rearrangements are required to correct shortcomings. Thus, they will actively organize and mobilize all the working people in the county into the fulfillment of the resolved targets.

Government organs at all levels will ceaselessly promote the movements to win model county titles to meet the demands of the developing realities, as intended by the party, and by doing so, will positively contribute to

making our country, our fatherland, richer, stronger, and more developed.

South Korea

ROK Daily Views Issue of Length of Clinton's Visit
SK1104044096 Seoul CHOSON ILBO in Korean
11 Apr 96 p 2

[Article by Washington-based correspondent Pak Tusik; from the "Reporter's Memo" column: "Clinton's ROK Visit"]

[FBIS Translated Text] Upgraded from a country to be visited for a short time to a country to be visited for a longer time. This can be called a summary of the announcement and explanation by Chongwadae [presidential offices] on the "great" expansion of U.S. President Bill Clinton's ROK visit slated for 16 April, an expansion from three or four hours to nine or ten hours.

However, it was difficult to hear the news about the expansion of Clinton's ROK visit in Washington on 9 April [10 April Korea time]. The Korean peninsula issue was one of that day's most important issues discussed at regular briefings by the White House, the State Department, and the Defense Department. Questions were asked and answered on North Korea's armed displays in the DMZ. That was all. Compared with the previous day, the weight of the issue was lessened, probably because North Korea's armed displays had stopped.

Asked about the expansion of Clinton's ROK visit, U.S. officials said "an announcement will be made soon" or "it is difficult to say exactly how many hours his stay in the ROK will be." It appeared they did not understand the ROK reporters' interest regarding the length of Clinton's visit rather than the meaning and content of the summit.

In fact, the U.S. media hardly report on the president's overseas trips in great detail. His departure and arrival dates are always regarded as secondary questions. Sometimes I do not know the president has departed from the country until the TV carries his appearance in another country. However, this is not to say that the U.S. media view the president's diplomatic activities as insignificant. They just may not have enough time to report the president's departure and arrival times in detail, probably because they focus on pending issues between the United States and the country concerned, as well as the present U.S. Government's diplomatic policies regarding these issues.

In such an atmosphere, it must be natural for ROK reporters to seem strange when they ask about the exact length of Clinton's ROK visit.

In any case, it is needless to explain the importance of President Clinton's ROK visit. No one in diplomatic circles in Washington doubts the great symbolic significance of the U.S. leader's ROK visit under the current situation on the Korean peninsula and in light of the great demands for ROK-U.S. diplomatic- security cooperation that will follow the general elections.

However, we cannot help but feel strange about our government's announcement on the expansion of Clinton's stay in the ROK. If we show that we are excited about the fact that Clinton, who was supposed to arrive in Cheju Island at noon, is now scheduled to arrive at dawn, this is tantamount to showing that we have been reduced to a "country worth nine hours."

I wonder how Chongwadae would explain the Clinton administration's early February attitude that it might be difficult for Clinton to visit the ROK at all.

ROK: UNSC Urges DPRK Not To Act Unilaterally on Armistice

SK1104134496 Seoul YONHAP in English
1321 GMT 11 Apr 96

[FBIS Transcribed Text] United Nations, April 11 (YONHAP) — The United Nations Security Council (UNSC) expressed its concern Thursday over the recent intrusion by North Korean armed troops into the Demilitarized Zone (DMZ), and reaffirmed that the 1953 armistice treaty should remain in effect.

UNSC President Juan Somavia, in a press release issued just after an unofficial UNSC meeting on the North's bid to scrap the armistice, urged North Korea to refrain from making any unilateral actions, such as sending armed troops into the DMZ and renouncing its obligations under the armistice treaty.

Somavia, who is also Chilean ambassador to the UNSC, added that such acts by the North posed a great threat to peace and stability on the Korean Peninsula, that have been maintained by the armistice for the past 43 years.

South Korea had initially sought adoption of a president's statement at the UNSC meeting containing a strong warning to North Korea, in connection with the North's dispatch of troops into the DMZ.

Such a bid, however, was thwarted when it was vetoed by China, a permanent member of the UNSC and a close ally of North Korea, according to sources.

Park Su-kil, South Korea's permanent representative to the United Nations, said, "the UNSC's expression of

concern over the situation on the Korean Peninsula and urging the North to honor the Korean Armistice treaty will serve as a strong warning message to the North's recent reckless and provocative actions."

The last time that an issue concerning South Korea was on the UNSC's agenda occurred in May 1993, when North Korea seceded from The Nuclear Nonproliferation Treaty and subsequently refused inspections by the International Atomic Energy Agency (IAEA) of its nuclear facilities.

Both South and North Korea joined the United Nations in 1991.

ROK Defense Minister Inspects Division Near Panmunjom 10 Apr

SK1104125496 Seoul HANGUK ILBO in Korean
11 Apr 96 p 1

[FBIS Translated Text] It was learned on 10 April that recently the North Korean army has increased surveillance activities toward the ROK side's guard posts in some regions of the western front and increased violations of the Armistice Agreement, such as not wearing arm bands.

Defense Minister Yi Yang-ho visited the guard post of the First Division on the foremost frontlines near Panmunjom on 10 April and received this report. In this regard, he ordered: "Even if North Korea violates the Armistice Agreement, we must respond following the combat rules set up within the framework of the Armistice Agreement."

An official of the unit on the spot reported: "After the ROK Army was ordered to strengthen alertness due to North Korea's continued provocations, North Korea strengthened intelligence surveillance activities toward the ROK side. Also, the number of times North Korea has violated the Armistice Agreement increased by about 310 cases from 1-9 April compared to last year's number of violations, on average."

ROK Daily on 'Expansion' of DPRK Military Role, Position

SK1004140696 Seoul MUNHWA ILBO in Korean
10 Apr 96 p 7

[Report by Kim Sung-hyon]

[FBIS Translated Text] Indications showing Kim Chong-il's failure to exercise control over the military have been pointed out recently.

According to a relevant official in the Ministry of National Unification [MNU] on 10 April, the North Korean military's control of economic fields has been

expanded, and the military has even begun to check on those coming to and leaving Pyongyang — work which the Ministry of Public Security had been undertaking — thus showing a noticeable expansion of the military's role and position.

As for the recent Panmunjom situation, the military has pushed for this initiative, and even Kim Chong-il has been dragged into it.

Concerning this, in a lecture meeting on 8 April, Kwon O-ki, deputy prime minister and unification minister, said: "We doubt if Kim Chong-il is properly carrying out his duty as supreme commander." Besides, in informal talks with reporters on 9 April, Vice Unification Minister Song Yong-tae said: "Kim Chong-il outwardly seems to be controlling the military. Since the military's position has been constantly expanded, careful analysis of Kim Chong-il's moves is necessary."

It is a fact already known to the public that friction has deepened between hardline and moderate factions within North Korea, including the military and Foreign Ministry, over the means to overcome the overall crisis caused by structural economic difficulties and food shortages.

Concerning food aid, the North Korean Foreign Ministry said in January that "from the outset, the military was concerned about the issue of accepting foreign aid," thus exposing friction with the military.

The exposure of friction between the Foreign Ministry and the military is unusual in North Korea. It is highly likely that the Foreign Ministry attempted to hold the military in check through the press and to gain more foreign aid while warning the international community about the military's intent to run rampant. Thus, the Foreign Ministry tried to take the initiative in political domains in North Korea.

However, the "subject" in recent North Korean statements and talks is neither "Kim Chong-il" nor "the party," but the very "military." This indicates that the military has taken the leadership of the political circles in North Korea, thus attracting the focus of people's attention.

A relevant MNU official said: "In the past when North Korea released statements concerning South Korea or external relations, it used the title of the party and government in most cases, and the military did not come to the fore, except in very special cases. This has been North Korea's usual practice. However, the name of the military has recently risen to the surface in various statements or talks."

This official pointed out that because the people's trust in Kim Chong-il's leadership and decisive power is wavering, North Korea has launched an intensive propaganda campaign on Kim Chong-il's recent visit to the frontline and inspections of military units.

He also added that "the military might have gained practical power over the North Korean system by pushing aside the moderate faction, including technocrats, and even Kim Chong-il has no power to deter such moves."

ROK Refuses Dialogue With DPRK if 'Threat' Continues

SK1004150296 Seoul HANGYORE SINMUN
in Korean 10 Apr 96 p 3

[Report by Yi Sang-ki]

[FBIS Translated Text] On 9 April, a high-ranking government official stated that unless essential prerequisites, including North Korea's suspension of the deployment of armed troops in the Joint Security Area at Panmunjom and observance of the Armistice Agreement are met, the ROK Government will not support improvement of North-South relations.

This official pointed out that "North Korea's suspension of demonstrations by its armed forces and return to the Armistice Agreement are not a precondition for improvement of North-South relations. Instead, they are the basic factors for resolving relations. Thus, unless North Korea suspends demonstrations by its armed forces and the like, improvement of North-South relations will be difficult."

He added that "as long as North Korea's military threat continues, the ROK will cope with this with hardline measures, instead of dialogue. Under the prevailing military tension as seen at the present time, neither North-South dialogue nor aid to North Korea can be discussed."

ROK: Meeting of North-South Vice Economic Ministers Unlikely

SK1104044896 Seoul KBS-1 Radio Network
in Korean 0200 GMT 11 Apr 96

[FBIS Translated Text] The possibility is slim that a separate meeting will occur between Yi P'an-kyun, ROK vice minister of finance and economics, and Kim Chong-u, vice chairman of North Korea's State External Economic Affairs Commission, during a conference on the Tumen River Area Development Program set to open in Beijing on 17 April.

Vice Minister Yi will depart the country on 13 April to attend an annual meeting of the European Bank

for Reconstruction and Development to be held in Sofia, Bulgaria. He will visit the PRC on 17 April and attend a meeting of the Tumen River Area Development Program, which will be held under the auspices of the UN Development Program. He will return home on 20 April.

The Ministry of Finance and Economy speculates it will be difficult for the North and South Korean vice ministers to have a separate meeting given the tight schedule of the Beijing talks and the latest situation on the Korean peninsula.

ROK: More on Unlikely Meeting of North-South Vice Ministers

SK1104063796 Seoul YONHAP in English
0631 GMT 11 Apr 96

[FBIS Transcribed Text] Seoul, April 11 (YONHAP) — Chances are very slim for the South and North Korean vice ministers attending the Tumen River Area Development Program (TRADP) conference opening in Beijing next Wednesday (17 April) will hold a separate bilateral meeting, a senior Finance and Economy Ministry official said Thursday.

The South Korean Vice Finance and Economy Minister Yi Hang-kyun and North Korean External Economy Commission Vice Chairman Kim Chong-u (vice minister-level) and their counterparts Chinese, Mongolian and Russian counterparts will be attending the conference.

"There is little chance that the South and North Korean vice ministers will hold a separate meeting in Beijing," the official said, explaining that a busy TRADP conference agenda and the mounting tensions on the Korean peninsula made such a meeting unlikely.

South Korea will not make an attempt to contact officials from the North in Beijing "considering the negative public sentiments that followed the less than satisfactory inter-Korean rice talks in Beijing last year," the official said.

The North has not made any attempt to contact us either, according to the official.

The first vice ministerial-level TRADP conference is being held in Beijing next week, in accordance with an agreement reached in a meeting in New York last December. The meeting was attended by representatives from the United Nations Development Program and the five countries involved in the TRADP.

The upcoming TRADP meeting in Beijing has led to speculation that inter-Korean contact might resume seven months after the rice talks, which were conducted

by former Finance and Economy Vice Minister and current Information and Communications Minister Yi Sok-chae, and the North's External Economic Cooperation Promotion Committee Advisor Chon Kum-chol.

ROK: DPRK Creates New Civilian Surveillance Systems

96P30129A Seoul NAEWOE TONGSIN in Korean
8 Feb 96 pp G1-G2

[FBIS Summary] North Korea has created three new surveillance systems to monitor its people: an agent system, a security team system, and an informant system. The DPRK State Security Department administers the agent system that consists of having 40-50 agents in each city and county to watch civilians. Security teams under the Ministry of Public Security are comprised of five members on each team for each neighborhood unit under the jurisdiction of people's committees. Under the informant system, village offices appoint an informant for each neighborhood unit to report on civilian activities. According to officials of the General Association of Korean Residents in Japan, the systems were set up to complement the country's policy to "solidify" Kim Chong-il's power structure.

ROK: 'High-Ranking Jinro Group Officials Reportedly in DPRK

SK1104110596 Seoul CHUNGANG ILBO in Korean
9 Apr 96 p 1

[Report by An Hui-chang]

[FBIS Translated Text] It was learned on 8 April that Vice Chairman Pak Yong-su of the Jinro Group, and Yi Chung-won, head of Jinro's Los Angeles branch, secretly entered North Korea on 6 April, and are currently staying in Pyongyang. The visit by high-ranking Jinro Group officials to North Korea is the focus of public attention because their visits are being made at a time of heightened tension in Panmunjom.

A source pointed out that the visit to North Korea by Jinro's Vice Chairman Pak and his entourage is mainly aimed at economic consultations, such as the construction of a tobacco processing complex in North Korea, but that the possibility that they might discuss non-economic issues, such as North-South relations following the general elections, cannot be ruled out entirely.

Vice Chairman Pak and his entourage are scheduled to stay in North Korea until 13 April and will meet with relevant officials from the External Economic Affairs Commission and the DPRK Paekyang Trade Company to discuss the construction of processing plants for

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tobacco, food, spring water and agricultural products in North Korea.

It was also learned that the Jinro Group plans on establishing a large-scale food processing complex in Otori, Yonggang County, Nampo. In addition, Jinro has worked out concrete plans to provide farming technology support for raising agricultural products, ginseng, and herbal medicine materials on 10 million pyong [one pyong is 3.9 square yards] of land that it hopes to secure in Hwanghae Province or South Pyongan Province.

One Jinro Group official was able to confirm Vice Chairman Pak's visit to Beijing, thus lending support to the possibility of his visit to North Korea. On the morning of the 8th, however, another official denied the visit to North Korea by saying, "All I know is that Vice Chairman Pak is in London."

ROK: Inter-Korean Trade Via Marine Routes Drops in 1st Quarter

SK1104003096 Seoul THE KOREA TIMES in English
11 Apr 96 p 8

[FBIS Transcribed Text] Due to sharp decreases in trade exchanges between South and North Korea amid mounting tension arising from the North Korean troops' invasion into the Demilitarized Zone (DMZ), the inter-Korean trade volume via marine routes during the first quarter this year dropped by more than half of that seen during the same period last year.

According to related industry sources, the amount shipped between the two Koreas reached only 90,000 tons during the first quarter of this year. Trade shipments reached 188,000 tons during the same period last year.

The number of operating ships were also drastically cut, from 50 to 15 from the same period in the previous year.

For example, Samsun Marine Co., which began transporting products last year through the marine channel linking Incheon and Nampo, stopped all operation of ships from February this year because of the absence of orders from cargo owners.

Kunhae Marine Co., a joint venture launched with a Hong Kong company last year, closed operations recently by returning ships to shipowners as there has been no shipment orders from early this year.

Hansung Shipping Co. cut its shipments to three times a month in the Incheon-Nampo route, and has been in the red due to a 20 percent decrease in orders.

ROK: Emergency Police To Deter Possible Election Violence

SK1004151796 Seoul YONHAP in English
0830 GMT 10 Apr 96

[FBIS Transcribed Text] Seoul, April 10 (YONHAP) -- An emergency duty was assigned to the police throughout the country Wednesday to deal with any episodes of violence that might flare up in the course of the balloting and vote counting process during Thursday's general election.

Police chiefs will be on 24-hour standby while senior officers are either patrolling vulnerable areas or have assumed additional supervisory duties.

Two armed policemen have been assigned to each of the nation's 6,272 districts and 16,394 precincts, who will work to prevent possible disturbances. After the polls close they will escort the election management officials transporting the ballot boxes to the district counting stations.

Approximately 150 armed policemen will also be deployed to each of the nation's 302 ballot counting stations Thursday.

The Korea Electric Power Corp. has three sources of power — the existing power lines, reserve power lines, and generators — to ensure that the polling and ballot counting stations have an uninterrupted supply of electricity.

ROK: Kim Tae-chung Makes Televised Campaign Speech 10 Apr

SK1004233096 Seoul THE KOREA TIMES in English
11 Apr 96 p 2

[FBIS Transcribed Text] Kim Tae-chung, leader of the National Congress for New Politics (NCNP), made his final campaign speech last night, calling for support so that his party will be able to control one-third of Assembly seats in today's general elections.

In a televised speech across the nation, he said, "The April 11 elections are a mid-term assessment of Kim Yong-sam's performance as president for the past three years.

"A strong opposition power is essential for checking the arbitrariness of President Kim and the ruling camp, to say nothing of incompetence."

He said that without an effective checking force, no genuine political stability is conceivable.

"By achieving one-third of the parliamentary seats," he went on, "we can block President Kim's possible

attempt to change the current presidential system into a parliamentary cabinet system."

He maintained he would see to it that a parliamentary hearing is held after the elections on the allegations that President Kim received a huge sum of money from former president No Tae-u.

"We haven't seen a genuine transfer of power in our modern history. Now is the time to make it happen by achieving the shift, which is the core of political reforms," he said.

"A horizontal power-transfer will advance the days when conflicts and gaps among classes, regions and generations are dissolved. It will also help lay a foundation for the divided nation to be united," he added.

Emphasizing the NCNP's economy first policy, he claimed that the party will enforce economic programs for middle and lower classes, small businesses and salary earners in an attempt to bring more balance into the economy, appealing to the nation for support in today's elections.

ROK Daily To Provide 15th General Election Results on Internet

SK1104003096 (Internet) The Digital Chosun Ilbo WWW in English 1204 GMT 10 Apr 96

[FBIS Transcribed Text] Starting at 6 p.m. Thursday evening, the Digital Chosun will provide election results from the 15th General Election on the Internet (www.chosun.com). This sets a precedent as the Chosun Ilbo is the first Korean newspaper to provide this service. Users will be able to choose from a menu which allows them to see the total number of votes, a breakdown by political party, city and provincial breakdown, and a list of the newly elected National Assembly members.

ROK: Ballot Booths Open for General Elections

SK1104002196 Seoul YONHAP in English 0014 GMT 11 Apr 96

[FBIS Transcribed Text] Seoul, April 11 (YONHAP) — At 6:00 on Thursday morning [2100 GMT 10 April], South Korean voters began to go to 16,394 balloting booths across the country to elect the 15th National Assembly. The voting will finish at 6:00 [0900 GMT 11 April] in the evening.

They will select the 299 members of the new parliament, including 46 on the proportional representation system, from among the 1,385 candidates.

As of 7:00, 1.25 million voters finished balloting, 4.0 percent of the 31.4 million registered voters, the Central Election Management Commission (CEMC) announced.

The voter turnout rate is lower than the 5.7 percent registered for the same hour in the local elections held in June last year.

The CEMC estimates the final turnout rate at around 70 percent.

The turnout rates at 7:00 by province and large city are: 6.3 percent in South Chongchong, 3.2 percent in Pusan, 5.7 percent in Kangwon, 5.0 percent in South Cholla, 4.9 percent in Kwangju, 3.7 percent in Seoul, 3.5 percent in Taegu, 3.4 percent in Inchon, 4.0 percent in Taejon, 3.7 percent in Kyonggi, 4.2 percent in North Chongchong, 3.4 percent in North Cholla, 4.2 percent in North Kyongsang, 4.0 percent in South Kyongsang and 4.0 percent in Cheju.

ROK Daily To Report Live Ballot Counting on Internet

SK1104004996 (Internet) The Chungang Ilbo WWW in English 11 Apr 96

[FBIS Transcribed Text] Ballot counting for the 15th general elections will be reported live throughout the world on The Joong-Ang Ilbo Internet JOINS. The Joong-Ang Ilbo, which had reported the ballot counting for last year's June 27 regional elections on the Internet for the first time in the world, will also deliver real-time news on the April 11 elections together with other information related to past elections held in Korea.

The information will be broadcast through a 56Kbps-class direct line linking the main computer used by the Korea Broadcasting Station (KBS) for elections coverage, with The Joong-Ang Ilbo Internet computer. Domestic users as well as the 5 million overseas Korean residents in various corners of the world will be able to watch the real-time news on the elections. J-Vision, an electric news tape carrying still screen images, will also broadcast live news through the night.

The access address for The Joong-Ang Ilbo Internet JOINS is <http://www.joongang.co.kr/>, after which the users should select 'Ballot Counting Information for the 15th General Elections'.

ROK Election Commission Finds 502 Election Law Violations

SK1104014696 Seoul YONHAP in English 0131 GMT 11 Apr 96

[FBIS Transcribed Text] Seoul, April 11 (YONHAP) — The Central Election Management Commission said

Thursday it has uncovered 502 election law violations during the campaign period that ended midnight Wednesday.

Fifteen violators have been referred to the prosecution for formal indictment, 63 to the police for further investigation, and the remainder were warned in view of the nature of their violation.

There were 3,373 election law violations in the local elections last June and 674 irregularities in the 1992 general election.

ROK: Former Premier Yi Hong-ku Hit by Stone While Campaigning

SK1104025296 Seoul YONHAP in English
0250 GMT 11 Apr 96

[FBIS Transcribed Text] Seoul, April 11 (YONHAP) — Former Prime Minister Yi Hong-ku, a ruling New Korea Party (NKP) advisor, was hit by a rock while on the stump for his party's candidate, Yi U-cha, in Toksan-tong, southern Seoul, late Wednesday evening, the NKP announced Thursday.

While standing next to the podium listening to candidate Yi's speech, the former prime minister was hit in the chest and bruised by a stone thrown by an unidentified person atop a building 15 meters from the podium, the announcement said.

"When I was listening to candidate Yi's speech, a rock hit me in the left side of my chest," he was quoted as saying. "I don't know who threw it or where it came from, but I was wearing an overcoat because it's chilly, so it's a small bruise."

ROK: Voter Turnout 49.9%; Elections Proceeding 'Smoothly'

SK1104075196 Seoul YONHAP in English
0747 GMT 11 Apr 96

[FBIS Transcribed Text] Seoul, April 11 (YONHAP) — By 3 pm Thursday, 49.9 percent of all eligible voters had cast their ballots in the general elections.

A Home Ministry report said that voting at the 16,394 precincts across the country began at 6 am and has proceeded smoothly without incident.

The 49.9-percent turnout rate represents a 3.9 percentage point decline from the 53.8 percent recorded at the same stage of last year's local elections.

North Kyongsang Province has registered the highest voter participation rate so far with 59.9 percent, while Incheon had the lowest with 45.3 percent.

Kangwon Province had recorded a 57.5-percent turnout by 3 pm, North Chongchong 57.5 percent, South Cholla

57.3, Cheju 55.5, South Chongnam 55.3, North Cholla 54.9, South Kyongsang 50.6, Kwangju 49.6, Kyonggi 48.1, Taejon 47.9, Taegu 46.9, Pusan 46.5, and Seoul 45.6.

ROK: Turnout 56.3% by 0800 GMT; 1500 GMT 'Outline' of Results

SK1104095096 Seoul YONHAP in English
0944 GMT 11 Apr 96

[FBIS Transcribed Text] Seoul, April 11 (YONHAP) — The 16,394 voting precincts across the country closed at 6 p.m. to bring 15th general election voting to a close.

The ballots will be counted just as soon as the ballot boxes arrive at the counting stations. It is expected that an outline of the election results will be known sometime around midnight.

Meanwhile, the Central Election Management Committee reported that as of 5 p.m., one hour before the polls close, 17,743,008 voters out of 31,488,294 eligible voters had cast their ballots, which translates into a 56.3 percent turnout rate.

Cheju has registered the highest rate of participation with 65.5 percent, while the lowest was 51.0 percent in Taegu.

ROK: 'Provisional' Election Turnout 68.4 Percent

SK1104105796 Seoul KBS-1 Radio Network
in Korean 1027 GMT 11 Apr 96

[FBIS Translated Text] A provisional total of the number of votes cast as of 1800 [0900 GMT] when the polls closed is now available. The national voting turnout was 68.4 percent, about three percent lower than the 71.9 percent for the last 14th general elections.

The voting rate by region was as follows: Seoul 66.3 percent, Pusan 66.3 percent, Taegu 64 percent, Incheon 62 percent, Kwangju 64.9 percent, Taejon 67 percent, Kyonggi 63.3 percent, Kangwon 74.8 percent, North Chongchong 72.7 percent, South Chongchong 73.8 percent, North Cholla 73.7 percent, South Cholla 76.1 percent, North Kyongsang 76.8 percent, South Kyongsang 73.1 percent, and Cheju 80.5 percent.

ROK: Nationwide Vote Count Provided at 1230 GMT

SK1104125996 Seoul YONHAP in English
1245 GMT 11 Apr 96

[FBIS Transcribed Text] [no dateline as received] The table below shows the number of electoral districts that each party is leading with. It is based on MBC's

computerized tally of ballots counted as of 21:30 [1230 GMT] Thursday.

NKP	NCNP	ULD	DP	Ind.
108	58	35	9	18

ROK: Basis for Joint KBS-MBC-SBS-CBS Poll Projections Noted

SK1104120796 Seoul YONHAP in English
1155 GMT 11 Apr 96

[FBIS Transcribed Text] Seoul, April 11 (YONHAP) — Four major television and radio broadcasting companies, having jointly conducted opinion polls on three occasions, are predicting an overwhelming victory by the ruling party in Thursday's general elections.

Korean Broadcasting System (KBS), Munhwa Broadcasting Corp. (MBC), Seoul Broadcasting System (SBS) and Christian Broadcasting System (CBS) held the first telephone survey from April 4 to April 7, the second from April 8 to 10 and the third on election day Thursday.

According to the third and last poll, the ruling New Korea Party (NKP) is expected to secure 175 seats (including 20 proportional representation seats), the National Congress for New Politics (NCNP) 72 (13), the United Liberal Democrats (ULD) 33 (7), the Democratic Party (DP) 11 (6), and independents 8.

In the first survey, the NKP, led by President Kim Yong-sam, was expected to win 164 seats by district constituencies alone, and the NCNP, headed by Kim Tae-chung, was forecast to take 51. The DP was predicted to win nine seats, the ULD, led by Kim Chong-pil, 20 and independents nine.

In the second poll, the NKP's projected total decreased to 157 seats while the NCNP's predicted total was raised to 58. The DP was expected to win in seven district constituencies while the ULD 25.

The actual election results after all the ballots are tabulated, however, may differ from the polls to some extent, with the margin of error being plus or minus 4.3 percent.

ROK: 15% of Vote Counted; NKP Winning 35.8%; NCNP 23.2%

SK1104133496 Seoul KBS-1 Television Network
in Korean 1255 GMT 11 Apr 96

[FBIS Translated Text] The number of votes cast for each political party across the country at present with

15 percent of the vote counted is as follows. The New Korea Party [NKP] has won 35.8 percent of the votes, the National Congress for New Politics [NCNP] 23.2 percent, the United Liberal Democrats [ULD] 15.9 percent, Independents 12.8 percent, and the Democratic Party [DP] 11.4 percent.

Ruling Party Projected To Retain National Assembly Majority

SK1104092996 Seoul KBS-1 Radio Network
in Korean 0900 GMT 11 Apr 96

[FBIS Translated Text] The voting for the 15th general elections is over. Based on the exit poll conducted by major broadcasting networks, the National Assembly seats which the political parties are expected to win, including national constituency or at-large seats, are as follows:

- NKP [New Korea Party] — 175 seats
- NCNP [National Congress for New Politics] — 72 seats
- DP [Democratic Party] — 11 seats
- ULD [United Liberal Democrats] — 33 seats
- Independents — 8 seats

ROK: Exit Poll Predicts New Korea Party To Take 175 Seats

SK1104091196 Seoul YONHAP in English
0904 GMT 11 Apr 96

[FBIS Transcribed Text] The following are the results of a joint exit poll conducted by the major television networks. These figures are based on a KBS report broadcast at 6 p.m Thursday.

NKP [New Korea Party]:	Won	175
NCNP [National Congress for New Politics]:	Won	72
ULD [United Liberal Democrats]:	Won	33
DP [Democratic Party]:	Won	11
Ind. [independents]:	Won	8

ROK: More on Projected National Assembly Election Results*SK1104094096 Seoul YONHAP in English
0927 GMT 11 Apr 96*

[FBIS Transcribed Text] The following figures represent the number of National Assembly seats each party is projected to win based on the results of a joint exit poll conducted by the three major television networks. These figures are based on a KBS report broadcast at 6 p.m. Thursday. The margin of error is plus or minus 4.3 percent.

	NKP	NCNP	ULD	DP	Ind.
Number of Seats Projected	175	72	33	11	8

The ruling New Korea Party is expected to win 175 seats (20 proportional representation seats), the National Congress for New Politics 72 (13), the United Liberal Democrats 33 (7), the Democratic Party 11 (6), and Independents 8, according to the results of telephone exit polls jointly conducted by the three major television stations.

The results were broadcast at 6 p.m. Thursday.

ROK: Three Seoul TV Stations To Broadcast Joint Exit Poll*SK1104085196 Seoul YONHAP in English
0840 GMT 11 Apr 96*

[FBIS Transcribed Text] Seoul, April 11 (YONHAP) — The controversy over an independent exit poll by Munhwa Broadcasting Corp. (MBC) was settled Thursday as the corporation offered an apology.

The controversy erupted Wednesday when MBC decided to conduct a direct exit poll in spite of a previous agreement with the Korean Broadcasting System (KBS) and Seoul Broadcasting System (SBS) to conduct joint telephone exit polls.

At a meeting of representatives from the three television stations Thursday morning it was agreed to settle the controversy by way of an MBC apology accepted by KBS and SBS, according to Yang Whi-bu, KBS news production bureau director, who is in charge of the joint exit poll.

MBC also agreed to implement procedures that will prevent the recurrence of similar incidents, compensate for all damages, ban all activities related to exit polling,

and scrap the already completed exit polls without analyzing them.

"Working officials from the television station election planning teams are currently negotiating how the MBC apology should be broadcast," Yang added.

KBS, MBC and SBS are going to televise the results of their exit polls at 6 pm Thursday as soon as voting closes.

ROK: DPRK Names Kim Hyong-u as New UN Ambassador*SK1104014596 Seoul YONHAP in English
0133 GMT 11 Apr 96*

[FBIS Transcribed Text] Tokyo, April 11 (YONHAP) — North Korea has named Kim Hyong-u, vice director of the Workers' Party International Department, to replace Pak Kil-yon as ambassador to the United Nations, the ASAHI SHIMBUN reported in a dispatch from New York Thursday.

Quoting a North Korean mission source at UN headquarters, the report said Kim served as vice foreign minister between September 1977 and November 1983.

ROK: Japan Asked To Assume Responsibilities for 'Comfort Women'*SK1004152096 Seoul YONHAP in English
1250 GMT 10 Apr 96*

[FBIS Transcribed Text] Seoul, April 10 (YONHAP) — The government on Wednesday urged the Japanese Government to publicly acknowledge its past offenses over the "comfort women" issue and assume due responsibilities in a straightforward manner.

The Foreign Ministry reported that in a speech at the 52nd session of the UN Commission on Human Rights held in Geneva, Ambassador Son Chun-yong to Geneva asked Japan to take the necessary steps in implementing the special rapporteur's recommendations voluntarily and in an expeditious manner.

He said the "comfort women" issue is a question which is of particularly deep concern to his government since Korean women account for the vast majority of a large number of victims of the sexual slavery perpetrated by the Japanese imperial army during World War II.

Noting that the special rapporteur concluded that the Japanese Government remains legally responsible for the consequent violations of international humanitarian law, Ambassador Son said his government welcomes and fully supports the conclusion drawn by the special rapporteur.

ROK: MOTIE Plans To Open Internet Site for Foreign Companies

SK1104011696 Seoul THE KOREA HERALD
in English 11 Apr 96 p 8

[FBIS Transcribed Text] Foreign companies doing business in Korea can now direct their "blues" to an Internet address run by the Ministry of Trade, Industry and Energy (MOTIE) starting tomorrow.

"We guarantee confidentiality and accept both English and Korean messages," said an official at the ministry's international business division.

Messages are to be mailed to blue.now-com.co.kr.

The Internet service is being operated by the ministry's recently opened Office for Foreign Trade and Investment Facilitation which functions as a counseling office of sort for foreign firms which are either operating or considering investment in Korea.

The installment of the Internet service comes as the ministry is in the midst of conducting a comprehensive survey directed at some 3,000 foreign firms in Korea.

The survey is seeking mostly written responses and some company visits and is scheduled to continue through the first half of the year in a move to bolster foreign investment in Korea.

Since the survey got under way earlier this year, foreign firms have been expressing specific concerns, including tariffs and customs.

ROK: R&D Center Launched To Fight Against Hacking

SK1104011796 Seoul THE KOREA HERALD
in English 11 Apr 96 p 8

[FBIS Transcribed Text] As part of an effort to prevent hacking and other computer crimes, the Ministry of Information and Communication (MIC) has set up an independent R&D [research and development] center in Seoul.

The new center, named the "Korea Information Security Agency (KISA)," will be responsible for carrying out various R&D works on ways of protecting the nation's major computer networks from ill-intentioned hackers.

The KISA held a signboard hanging ceremony at its office near the Seoul Sejong Cultural Center yesterday to celebrate its inauguration. The ceremony was attended

by MIC Minister Yi Sok-chae, Yi Chae-u, director of the KISA, Yang Sung-tack, president of the Electronics Telecom Research Institute, and other officials from security-related government offices.

The decision to establish the KISA was made early last year in the wake of a series of hacking incidents here. In one of those incidents, a teenage British computer hacker reportedly stole secret nuclear data from Korea Atomic Energy Research Institute (KAERI) computer system.

"The KISA plans to standardize security modes of the nation's computer networks, complement computer-related laws and develop advanced computer security mechanism and technologies," said a spokesman for the agency.

"Actually, even the nation's five major computer networks — administration, banking, education, defense and public security — could be vulnerable to professional hacking. The KISA will be responsible for building the so-called 'fire-wall system,' developing computer-network safety checkup systems, spreading an information-security mind and conducting security-related training," he said.

R&D works on secret-code algorithm, identification technology, key management, access control, invasion detection, hacker tracking, database security, and information protection system for electronic data interchange, modem and fax will also be carried out by the KISA, he noted.

ROK: 'East Sea' Advocates Hold Seminar, Workshop

SK1004151996 Seoul YONHAP in English
0837 GMT 10 Apr 96

[FBIS Transcribed Text] Seoul, April 10 (YONHAP) — A private organization that advocates calling the body of water between Korea and Japan the East Sea will hold an Executive Board meeting Friday to make decisions about a variety of projects that will be launched this year, a spokesman from the East Sea Society said Wednesday.

The meeting, the second of its kind, will be held at the Lotte Hotel in downtown Seoul and is going to finalize plans to invite scholars from abroad to a seminar on the origin of the name of East Sea, which also became known as Sea of Japan in the late 19th century, he said.

It is expected that the Executive Board will decide to hold the seminar in Seoul in May or June.

The society is also planning to send its delegation to a United Nations meeting of experts on names of places which will be held in Geneva in August.

The society is also going to hold a seminar for local scholars, journalists and government officials in November.

The society was founded in 1994 by more than 50 scholars, journalists and businessmen who want to make the East Sea label stick.

It has recently distributed English-language maps bearing the "East Sea" designation to government and news media organizations around the world.

Burma

Burma: Article Alleges CIA Involvement in News Broadcasting

BK1104063696 Rangoon KYEMON in Burmese
4 Apr 96 p 5

[Article by correspondent Thetshay: "To Show the Character of American Human Rights"]

[FBIS Translated Text] Domestic and foreign news have become a part of my neighborhood since I have roamed in the journalism world for decades. True newsmen have the personality of a journalist, which means the ability to select authentic news, to search for good and actual news, to acquire firsthand news from a source as much as possible, to comment on current news based on history, and to present it to the general public after carefully considering the truth and accuracy of the news.

If you are a conscientious journalist, in other words, if you have the personality of a journalist, you will be able to discard rumor. In international journalism, news should be concise, precise, timely, and unbiased. Concise means no rumor and fabrication. Precise means not news from unreliable sources such as diplomatic, tourist, and unconfirmed sources.

To write unbiased news is to remain committed to authentic news and not false news as the truth and vice versa, to satisfy one's bias. However, today, magazines, broadcasting stations, and the television stations of many countries (especially the West) have been blatantly breaching the journalist code.

Writing biased reports, observing news blackouts, giving false news as the truth, reporting fabricated news, writing to interfere in another country's internal affairs, writing and broadcasting to instigate unrest, to cause disintegration, and to install a pro-Western puppet regime, all these are known as black journalism.

Western countries are able to publish and broadcast impressive and colorful magazines and television programs because they have the financial resources and the technology to do so, but the contents of these materials are questionable.

In the West, most of the magazines, radio and television networks are controlled by media magnates and industrialists such as the Time group, Lord Thomson group, Beaverbrook group, IPC group, CC King group, Lord Northcliff group, Maxwell group, Springer group, and Rupert Murdoch. Some media magnates have control over 200 international magazines. Even the FAR EASTERN ECONOMIC REVIEW and ASIaweek from Hong Kong and THE NATION and BANGKOK POST from Bangkok are under the influence of the media magnates.

The United States-led Western group has used its public relations machinery exhaustively to demolish their political archrivals — the Soviet Union, the East European countries, and other socialist states. They have not only used newspapers, journals, magazines, but also music, motion picture, theater, radio, and television networks extensively. Although Western public relations activities were balanced with propaganda and candid news in the past, the journalism ethic was thrown into the trash bin at the height of the cold war with Russia and the Eastern Bloc.

The Soviet Union deported many American journalists in 1976, accusing them with spying for the U.S. The Soviets accused them of being paid by the Central Intelligence Agency, CIA. The CIA director at that time was George Bush (who became American president from 1988 to 1992). Some media groups in the U.S. objected to the CIA's use of journalists but George Bush declared it will continue to use their services.

The American CIA is an organization that is involved in world affairs. Many books written by former CIA personnel include reports on many world leaders assassinated by the CIA, the CIA's involvement in bringing down other governments, and its instigation of unrest in many countries by supporting the opposition, insurgents, and expatriates.

The CIA used to send its personnel to American embassies worldwide from the ambassador right down to the janitor. East Germany had published a book about CIA personnel disguised as diplomats. The book is called "Who's Who in CIA." The number of CIA personnel noted down in the book, which was compiled up to 1964, listed over 3,000 active members in 120 countries. During that period, there were over 40 CIA-cum-diplomats in Myanmar [Burma] including two ambassadors. One was never able to get such a list after 1964.

At present, the CIA is recruiting young business administration graduates [MBA]. It makes arrangements for these MBA graduates to join international businesses (especially American companies). These people get their monthly salaries from their respective companies for their work and also receive extra income from the CIA for spying on their own time.

The CIA have become frustrated with the diplomatic image because it is easily uncovered. That is why news reports say the CIA is now using the cover of journalism. Visas are willingly issued to journalists so they can gather news of goings-on here and there effortlessly. Therefore, undercover CIA staff are able to easily contact opposition figures and insurgents internationally.

Formerly, the BBC or British Broadcasting Corporation was a private enterprise. The BBC broadcasts special and flash news to gain popularity. The organization was registered with the British Government's posts and telecommunications ministry, while the broadcasts were administered by the Home Department. The 12-member BBC Board of Directors was selected by the British parliament and endorsed by the queen. The British parliament annually grants about 150 million pounds to the BBC.

Mr. Jay Hay [name as transliterated], a former British intelligence officer and a BBC adviser, noted that radio broadcasting should be used in politics because regardless of a particular country's acceptance or rejection of the programs, radio waves can travel to any country in the world. The VOA, Voice of America, too followed the Hay trail after broadcasting pure propaganda before.

To annihilate the Soviet Union, the American CIA established the Radio Liberty in Munich, Germany. Radio Free Europe was established in Munich itself and was used to decimate the Eastern European socialist states. These stations were formerly financed by the CIA's secret fund. Later, they were officially financed by the government's budget with congressional approval.

The CIA established Radio Jose Marti and TV Marti to bring down Latin American socialist countries such as Cuba and Nicaragua. When the communist hardliners tried to stage a coup against Soviet President Gorbachev, the BBC, VOA, Radio Free Europe, and Radio Liberty went on air 24 hours to dissuade the communists from returning to power. Now, Radio Free Europe has been transformed to Radio Free Asia and will be taking off to overshadow Asia.

Burma: Than Shwe Stresses Military Leadership Role in Politics

BK1104015396 Rangoon TV Myanmar Network in Burmese 1330 GMT 9 Apr 96

[FBIS Translated Excerpt] Senior General Than Shwe, chairman of the State Law and Order Restoration Council [SLORC] and commander in chief of the Defense Services, who is currently in Pyinoolwin [Maymyo], accompanied by Lieutenant General Tin U, SLORC secretary-2; Vice Admiral Maung Maung Khin, SLORC member and deputy prime minister; Rear Admiral Tin Aye, navy commander in chief; Major General Tin Ngwe, air force commander in chief; Adjutant General Maj. Gen. Win Myint, Quartermaster General Maj. Gen. Tin Hja, Military Appointment General Brigadier General Tin Ngwe, Judge Advocate General Brig. Gen. Than Oo, Brig. Gen. Saw Lwin, Chief of Armed Forces Training; Maj. Gen. Hla Myint Swe, chairman of Sagaing

Division Law and Order Restoration Council and commander of northwest military command; Brigadier General Ye Myint, chairman of Mandalay Division Law and Order Restoration Council and commander of central military command; and responsible officials, arrived at the Central Signals Corps at 0800 on 7 April. [passage omitted on inspection tour]

Sr. Gen. Than Shwe and party inspected the construction of a new building at the Defense Services Academy [DSA] at 0800 on 8 April. [passage omitted on inspection]

Sr. Gen. Than Shwe, SLORC chairman and commander in chief of the Defense Services, met with the DSA commandant, military officers, lecturers, demonstrators, and cadets at the DSA Convocation Hall and delivered an address.

Than Shwe noted they are taking the time to tour the regions to attend to the requirements of regional and national development and to improve the training of battalions and units. He explained that a defense services without strength and capability will not be able to defend the nation's borders since the Defense Services and the nation have been indivisible throughout history. The Defense Services always stands by the people and safeguards the nation whenever it faces a crisis which can change its borders to a considerable degree, adding that only an able Defense Services can safeguard and perpetuate the nation. [Passage omitted on training and military spirit]

He reminded the cadets that as future leaders of the Defense Services they should have correct thoughts and beliefs, dedicating their life to the national cause. The Defense Services, which emerged together with the freedom struggle, is not a mercenary army without beliefs or convictions, that is interested only in getting a salary and privileges. It is a patriotic Defense Services fully determined to safeguard the nation and the race, he added.

Sr. Gen. Than Shwe pointed out that comrades must not hesitate to sacrifice their lives to maintain the noble traditions of the Defense Services, and to build it for strength and ability, always safeguarding the interests of the citizens and the State. The convictions of the Defense Services are connected with national convictions and aims.

He explained that different parties will play different types of politics in the future State under multiparty democracy, declaring that the Defense Services' beliefs and convictions must be one with the nation's. He said the three Main National Causes [the nondisintegration of the union, the nondisintegration of national solidarity,

and perpetuation of national sovereignty] is also the Defense Services' belief and conviction. The three Main National Causes, which is a national concern, must also be upheld as a national duty by all citizens.

Sr. Gen. Than Shwe said the traditions of the nation and the Defense Services are related. Since the Defense Services is a patriotic force always safeguarding national interests, it should have a role to play in the future State's national political leadership — a deserving position for it to serve the national interest because of its traditions and the nation's requirements.

He noted the Defense Services never ignores political parties, and it is important that they work for the benefit of the nation. He declared the Defense Services will never accept those [political parties] that regard the noble Defense Services as a mercenary force, ignore its deserving role, and are unable to work for the benefit of the nation.

Sr. Gen. Than Shwe said they are working with a broad outlook and firm belief in building a new, modern, and developed nation. He said the two objectives: the national objective which is the emergence of a new, modern, and developed nation; and the Defense Services objective, which is the building of a strong, qualified, and modern Defense Services, are interrelated.

Than Shwe explained that not only is the military outlook required in implementing these objectives but also political, economic, and administrative outlooks. He finally urged them to bear in mind these factors when discharging national duties and in implementing the two objectives in whatever role they may play. [passage omitted on inspection tour of other places]

Burma: Article Views Opposition's Demands

BK1004042796 Rangoon THE NEW LIGHT OF MYANMAR in English 5, 6 Apr 96

[Article in two installments by Byatti: "The Best is...."]

[FBIS Transcribed Text] [5 April p 5]

Ubbatobhatha jataka story surfaced in my mind. Once there was a village in Kasi land. Everyone who got to the village was happy. In fact, there was not much difference between that village and others. The villagers were farmers like their forefathers. When there was no work in the field they went fishing in nearby ponds, but not on a large scale. They did so just to get enough for household needs. When one got plenty of fish on some occasions, one shared with neighbours.

The villagers resided there together since the establishment of the village. So, they were related to one another

and their way of thinking was similar. Indeed, the whole village was like a big family.

When a family of the village lacked something, the whole village extended a helping hand. They managed the village affairs collectively. Should disagreements or disputes crop up among the villagers, the decision of the headman was heeded by all. No one was there to argue or question his decision. Everyone who are in the village thus experience unity of the village.

But one day, there arose a dispute at the village which had fine traditions. Two women in question were brought to the headman's house. When asked by the headman, an arrogant complainant said:

"...it was like this. She insulted me without reason. As I visited her house as usual, she asked me whether I was mad pointing her finger at me...."

After investigating the woman who seemed to be an expert in making complaints, the headman interrogated the other woman. In a steady tone, the co-litigate woman said:

"...it was not that I wanted to insult her. I told her so as what she did was unnatural and unacceptable. See for yourself Mr. Headman. Her mother gave birth to her with two good ears. But she put a roll of palm leave in the lobe of only one ear as an earring. It was very unnatural and unusual. And one of her eyes was smeared with soot. Moreover, she held a dog in such a way as if she was going to breast feed the animal. It could be assumed that she was out of her mind suddenly. Or else, she must be deliberately trying to create a problem, the village headman thought. Then, he found an answer. As, the co-litigate woman had suggested, something unusual did happen. The husband of the complainant woman went to a forest accompanied by his son. At a pond they went fishing. Soon after dipping the hook in water, the man felt something was there at the end of the line. So he withdrew the hook. However just the line became tense and nothing could be brought out of the water.

The man, holding the line firm, was much pleased as he reckoned that the fish hooked might be a large one. Then, he felt unhappy when something came into his mind.

There had been one tradition of the village followed since the ancestors. When one got a large fish or plenty of fish one shared with neighbours joyfully. The man had hooked a large fish. According to the tradition he had to distribute the large fish, which he caught only after exerting much effort in the hot sunshine, to others. He worked out a plan how not to give away his catch.

There should be some form of disunity with neighbours so as not to share the catch with them. There should be disagreement. His wife was most reliable in that kind of business. She had been a kind of woman able to make the entire village dislike her. So, the man sent his son home to tell her what is to be done.

The scheme of the mischievous persons then came to surface. The complainant turned out to be a co-litigate. After thorough study of the case, the headman found the arrogant woman guilty. He fined her eight kyats.

At the same time, the husband put his longyi (traditional sarong) and shirt on the bank of the pond and dipped into the water holding the line firm. As he did so in haste anxious to catch the large fish, the point of a stump submerged in water struck one of his eyes. He got blind in one eye. In fact, what he had hooked was not a large fish but a stump submerged in water.

For their discarding others' interests in favour of selfish ends, both husband and wife had to suffer. Covering the serious injury with two hands, the man came out of the water. When he got back on the bank he tried to see things with the remaining eye. The longyi and shirt must have been stolen by a stranger while he was in the water. It was a disgrace for those who were too selfish.

Our mother party at one time was very much like the Jataka story. There were slogans demanding democracy. Much was talked about democracy. Afterwards, there came ambitious plans to establish a single party centred on a major party. They concentrated on their party's self-interest. They tried to put pressure by making impossible and illogical demands. They left the National Convention with no sound reason. The entire party was put in the hands of the "Nga-bwint Ta-khine" (five flowers on one stalk) politburo mentors. The party was at their mercy. The whole party drowned in shallow water. It was trapped with no way out. In other words, the party was dissociated from the people. They reckoned and plotted with the belief that the National Convention would be destroyed once a strong party had left.

But the actual conditions are different from what they have calculated. Delegates of the mass and class organizations and those of other political forces continue to perform the national political duties for the success of the National Convention and rallies in support of the National Convention were held throughout the nation. The National Convention is the genuine voice of the people.

As such, the party reached an uncontrollable stage. The so-called party leaders were shocked. While attempts were made to seize power through various means on

one hand, the politburo mentors lured the internal forces. They attacked the undertakings of the present government and political stability. Relying on foreign elements, they invited different kinds of outside pressures. They said and wrote trifles in order to deter investments.

The public with the exception of a group of their crooked gang members from the platform are not interested in the party and "popular" leaders. The people would like to earn their living with peace of mind taking advantage of prevailing political situation and effective leadership of the government. They look forward to the emergence of a modern and developed nation. They do not wish to experience political infighting of the past again.

The people disapprove of whispering campaigns. They do not know the people's genuine aspirations and attitudes, and they dare not try to find out. They were not clear of their conscience and become riders of buffalo without enough courage. So, they became shameless in depending on the touts and their cheap words though they were untrue and impossible. They sold agitative pamphlets written with ulterior motives. They did so as restricted copies for party members. It seemed they sold well that way. Such mischievous methods never fail to work.

That party then wavered and floated political downstream. But being people possessing master plans, they followed the old road which started from the time of being elected as representatives. They took refuge in the old shelter. According to a resolution passed by the Central Body meeting of the National League for Democracy held on 22-3-96, they were reported to have written letters to the Na-Wa-Ta (the State Law and Order Restoration Council) calling for a date to be set to convene the First Pyithu Hluttaw Session.

Since the news was brought to me by my former young colleagues, I accepted it to be true. Then I pondered over the matter. No constitution is in force in Myanmar [Burma] at present. No Hluttaw has been constituted either. With which constitution is the Hluttaw to be convened? I was perplexed. The elections were held in 1990. It has been nearly six years since.

[6 April p 5]

Despite support from only over 30 percent of all eligible voters in the then election, exaggerated broadcasts and reports, which made it seem they won support from the entire country, were released with double tricks played. These circumstances have made it necessary to review the present condition. Political outlook, opinion, appreciation, and belief of people who have come of age for suffrage in the period following 1990 must be taken

into consideration. How the then voters have changed their attitude during the nearly six- year period and how many of them have passed away are also the facts for consideration. The then 30 percent of all eligible voters are no longer overcome with dosa (anger); they have known how to view the time and system objectively.

The term of election in other countries is prescribed as four years. It is recognized so. After the prescribed four years, the situation has changed considerably with increase in the number of eligible voters for the persons who were not entitled to vote four years ago have come of age. Representatives elected four years ago no longer conform to the wishes of existing persons eligible to vote and so, minimum term of election is commonly prescribed as four years. In Myanmar, it is nearly six years since the elections were held and it is questionable whether they are still valid or not. Memories still remain afresh. Arrangements were made to convene Hluttaw (General Assembly) at a tea shop near an office. There was also a bid to convene it at a monastery in Mandalay. 'Philosophy axe-handles' intended to convene the Hluttaw session in an embassy. Convening a Hluttaw session is not like calling a meeting to the Dammayon [religious building] to discuss offering dry rations every time one feels like doing so. Hluttaw is a matter that has come into being under Constitution.

It amounted to publicizing that much of stupidity of political prophets of this political party. If it were a means to escape, they should be considerate and think what was proper. There are cases to be taken into consideration — the sort of a member of Parliament who is indulged in gambling and serves as a che-hü [underground lottery using Thai lottery numbers] banker, the sort of an MP who cheated a girl out of her love and tried to live with her, the 420 (swindler) [refers to Section 420 of the Criminal Procedure Code relating to fraud] MP who obtained goods for resale and evades paying the bill, the sort of an MP who peddles phencydyl, the sort of an MP who committed cow theft, the sons of MPs who are now in exile after forming a parallel government, the sort of MP whose throat was cut for loose talks, the sort of an MP who was shot in the temple and whose private parts were cut for committing adultery with a waitress, other's wife, the sort of an MP who was in mental disorder assuming himself to be son of Sakra, the king of devas [celestial beings], the sorts of MPs who have gone into meditation centres in saintly garbs after breaching existing laws, etc.

Their bare-faced attempts to convene the Hluttaw session, keeping these unsavory acts dim, was completely tantamount to showing disrespect to the people. Here in this connection, some noteworthy words are heard.

It is thus: Is it necessary to submit a ceremonious letter for convening a Hluttaw session? It has already been convened every Saturday and Sunday on the pavement. That man has publicly elected the Saya Ma-naing Hna-saung-pyaing Ein-gyi-shin Ma Ma (the mistress of the two-wing great house whom no black magicians can conquer) as Hluttaw chairman. Isn't the government conniving, in a democratic way, as the matter of convening the Hluttaw session on the pavement to the pleasure of those crazing about power? Even traffic police have been assigned there to prevent traffic congestion. Then, it is no more necessary to submit ceremonious letters on this.

Of late, voices have been more loudly heard. They are making a clarion call with the aid of axe-handle honorary broadcasting stations. There are some more matters which cannot be held back. There were changes in intra-party leadership after action was taken against top opponents who went about confronting, assuming heroic roles and those who defied authority before and after the election.

Under this leadership, the party remained as if it were a cat which does not know how to catch a mouse. It adhered to rules and discipline. It abided by law. It marched forward, keeping itself in conformity with prevailing conditions without dogmatically sticking to party policy and programme. It came closer to national political programme than their own party affairs as it had taken steps only after making coordination in consonance with time and condition. It enthusiastically attended the National Convention. It joined hands for half the journey of the National Convention, putting forward candid opinions and suggestions.

However, it was not itself after the release of its former leaders. The so-called party head has degraded into an Indonesian glove puppet. The party has been maneuvered by a particular group of persons. It has moved on to its former track. The politburo gang masters have gradually inched forward testing the strength. In the beginning, they assumed an air of giving advice or submitting suggestions, throwing innuendoes. A few days later, they were a bit provocative.

Taking advantage of a situation in which they are given a sanctuary without serious ban or deterrence by the government, they have blatantly come to be engaged in instigating, criticizing and attacking. They sniff and dig up loopholes and shortcomings in all corners. They use bulldozers to expose a matter which should be solved only with a needle. Everything is exaggerated. There are attempts with unfounded allegations for gaining profit. These reckless acts and strong allegations mean adoption of a politically motivated daredevilism.

Their words are discordant. The mistress of the house, the so-called Hluttaw chairman of the Pavement Hluttaw, recently said she did not hate or feel bitter about those who assassinated her father (Bogyoke [General] Aung San). Although this woman, who exercises full khanti (forbearance) does not feel bitter about persons who killed her own father, she showed resentment about jailing a comedian who praised her glory. I wonder why. I cannot find the answer.

Action was taken for breaching an existing law. A person cannot be jailed or action cannot be taken against him for mere hatred. The mistress of the house herself admitted that those comedians had committed offence. She said as if she would face the action on behalf of the comedians. There are many who are in trouble or believing her words.

There are the good and the bad or cause and effect which can be seen in a person or a family or an organization or a town or a division or a country. There are weaknesses and advantages. It is needed to weigh over the good and the bad. It is needed to be able to see the connection between cause and effect. It is needed to be able to differentiate between weaknesses and advantages.

One should review whether oneself is free of fault before making these trifling matters known to the public. As a person has his personal affairs, a family has domestic affairs. In the same way, a country has its internal affairs.

Internal affairs of the present-day Myanmar are not political problems nor political conflicts. They are actually problems of elements willing to oppose, self-seekers within one party and chauvinists having differing opinions.

Every person has his or her own secrets. Supposing a daughter of a family faced a disgrace while staying abroad, her parents wished her to marry a foreigner but being staunch patriots, they had to bring her back to Myanmar. In appearance of a girl not molested, she was made to marry a man of local make.

Can the persons concerned bear if a certain person who knows all about the chain of events divulges and tells about the scandal whenever he meets a person?

It was thus. I would like to recount an event noteworthy for the new and old local-made axe-handles of all sizes who send copies to embassies, circulate them among lower levels and ring reporters and news agencies whenever a matter comes up.

In our ward, there were a man and a wife, Ko Bo Kay and Daw Pu. Coming back home drunk, Ko Bo Kay usually pulled up his pasoe [traditional sarong]

and challenged, "Who dares to fight?" His wife did not stop him. Instead, she incited him to do so. They could so exist as man and wife for they had the same temperament.

Long afterward, some neighbours who did not bear to see this reminded Daw Pu thus:

"Hey, Pu Ma, stop your husband. That your man is bad does not matter. What matters is everyone will know that you, too, is bad."

Only then did Daw Pu Ma realize and stop Ko Bo Kay. The best is...do not pound one's own thigh with the elbow. And do not urge others to pound their thighs too.

Brunei, Malaysia & Singapore

Brunei

Brunei: Singapore's Defense Minister Notes Strong Ties

BK1104015296 *Singapore Radio Corporation of Singapore in English 1000 GMT 10 Apr 96*

[FBIS Transcribed Text] Deputy Minister and Defense Minister Tony Tan says the strong ties between Brunei and Singapore are very important. He describes the relationship as very friendly and problems that cropped up are discussed frankly.

Dr. Tan was speaking at the end of his three-day trip to Brunei. He says he is satisfied that the SAF [Singapore Armed Forces] troops who are trained in the Temburong area in Brunei are well-looked after. Dr. Tan also offered Singapore's expertise to help the Royal Brunei Armed Forces in its modernization program.

Azad about the current tension in the Korean peninsula, Dr. Tan says that will lessen for small countries like Brunei and Singapore. He says both countries should need to continue putting in the investment and effort necessary to build up a credible defense force.

Malaysia

Malaysia: Commentary Praises Bosnian Conference in Kuala Lumpur

BK1004115896 *Kuala Lumpur Voice of Malaysia in English 0810 GMT 9 Apr 96*

[Station commentary]

[FBIS Transcribed Text] It comes as a welcome relief that the conference on raising money to reconstruct Bosnia-Herzegovina was proceeding as scheduled this week. There was concern that the meeting would be

called off. The condition for holding the conference was that all three parties—the Serbs, Croats, and the Bosnian Government—must release prisoners of war prior to the conference. The Croats and Muslims have complied [word indistinct] prisoners have not been accused of war crimes. On the other hand, the Serbs have done nothing. Their reluctance is not surprising for they will do anything to dash hope of bringing normalcy to the war-torn former Yugoslavia. After all, they were the ones who continually defied UN orders and broke every peace accord clinched between the warring parties.

[Words indistinct] of the Bosnian peace agreement, Carl Bildt's remarks in Kuala Lumpur over the weekend that the second donors conference would continue with or without the Serbs must have come as a big blow to the Serbs. Even during the last days of the war, the Serbs never really wanted to lay down their arms. Only when the NATO and U.S. forces used their military might to bomb their positions twice did they concede. Therefore, if the meeting had been canceled, no funds would have been given for the reconstruction of Bosnia-Herzegovina. In a way, it would have been a victory for the Serbs. The Serbs claimed that they have complied with the Dayton agreement relating to prisoners of war. Yet, until Saturday, they were holding 16 POW's in violation of the accord. In contrast, most of these groups, in fact Croats, released a total of 42 POW's — a reflection that supported the reconstruction of the republic.

Bildt, who also visited Malaysia to drum up support for the conference, can be sure of Malaysia's support for the meeting. This is because they have taken a leading turn in forming a group under the Organization of Islamic Conference, OIC, countries to help reconstruct the war-ravaged Balkan state.

The World Bank estimates that Bosnia needs some U.S.\$5.1 billion over the next three to four years to meet pressing reconstruction needs. An inaugural donors conference last December raised the pledges of U.S.\$500 million for the first six months of 1996. This is an encouraging development.

On its part, the Bosnian Government might set up financial institutions to be eligible for aid. This is critical, as only with such institutions can assistance programs be implemented. Without such institutions, the government risks losing billions of dollars in aid from the World Bank.

So, rather than giving an ultimatum, the World Bank should help the Bosnian Government to set up such institutions and thereafter facilitate the transfer of these funds.

Priority should be to rehabilitate and reconstruct Bosnia-Herzegovina, not join others to put more hurdles in its path.

Malaysia: Fiji's Vesikula Requests Assistance Programs

BK1104015696 Kuala Lumpur RTM Television Network 1 in Malay 1200 GMT 9 Apr 96

[FBIS Translated Text] In his talks with Deputy Prime Minister Datuk Sri Anwar Ibrahim, Fijian Deputy Prime Minister Ratu Timoci Vesikula said his country wants to obtain assistance programs from Malaysia.

[Begin unidentified correspondent recording] Ratu Timoci is on a four-day official visit to Malaysia. He praised Malaysia's willingness to train Fijian personnel in agriculture under a technical cooperation program because Fiji is basically an agricultural country. Treasury Secretary Tan Sri Clifford Herbert said this to reporters after the two leaders' meeting. [end recording]

Ratu Timoci Vesikula also visited the Forestry Institute of Malaysia [FRIM]. His visit to Malaysia is aimed at learning Malaysia's development experience, especially in aquaculture, forestry, and fishery. His visit is also expected to produce more meaningful bilateral cooperation. During the visit, the Fijian visitor was briefed by FRIM Director Dr. Abdul Razak Mohamed Ali.

Cambodia

Cambodia: DPRK To Recall Diplomats Over 'Embarrassing Incidents'

BK1104025196 Bangkok THE NATION in English 11 Apr 96 p A1

[Report by Sa-nguan Khumrungrot]

[FBIS Transcribed Text] North Korea has decided to recall its ambassador to Cambodia, Song Ho-kyong, and three other diplomats after a number of embarrassing incidents affecting the two countries, including offering sanctuary and assistance to a suspected member of the Japanese Red Army. Song, a former deputy foreign minister, will be replaced by Kim Yong-sop, former special envoy of the late North Korean President Kim Il-song, who was a close personal friend of Cambodian King Norodom Sihanouk.

Diplomatic sources in Bangkok and Phnom Penh confirmed that the three embassy diplomats would also be recalled after they were found to have accompanied Yoshimi Tanaka, the suspected Red Army member, during his unsuccessful flight from Cambodia. Sources believed that Tanaka, who is wanted in Japan for his alleged involvement in the 1970 hijacking of a Japanese

aeroplane to Pyongyang, was trying to flee Cambodia after realizing that American, Cambodian and Thai authorities were closing in on him due to the widespread circulation of fake United States currency in Southeast Asia.

The 37-year-old Red Army suspect was stopped and arrested on March 24 at the Cambodian-Vietnamese border while riding in a North Korean Embassy vehicle. He and three other accompanying North Korean diplomats were subsequently ordered to return to Phnom Penh where Tanaka was detained.

Tanaka was found to be carrying a North Korean diplomatic passport and travelling with a large amount of US currency.

The sources could not confirm the identities of the three North Korean diplomats, but said the Cambodian government had planned to deport them. Tanaka was later handed over to Thailand on March 26 to face dollar forgery charges. Tanaka's arrest was made possible by a tip-off from US officials who have been tracking him both in Cambodia and Thailand.

Tokyo has confirmed that Tanaka's fingerprints match those of one of the nine hijackers and expressed its desire for his extradition to Japan. Tanaka will today stand trial in a Chon Buri court on forgery charges.

Tanaka's case and the recent incident in which one of Sihanouk's North Korean bodyguards accidentally injured Cambodia's Co-Prime Minister Hun Sen have caused embarrassment between Phnom Penh and Pyongyang. The two countries established diplomatic relations on Feb 28, 1964.

Cambodia: Vietnamese Prime Minister Arrives for Talks

*BK1004092396 Phnom Penh National Radio of Cambodia Network in Cambodian
0500 GMT 10 Apr 96*

[FBIS Translated Text] His Excellency [H.E.] Vo Van Kiet, prime minister of the SRV, and his delegation arrived in Phnom Penh at 0900 this morning for a seven-hour visit.

Welcoming the delegation at the Pochentong International Airport were H.E. Ing Huot, minister of foreign affairs and international cooperation, and a number of other high-ranking foreign ministry officials. H.E. Tran Huy Chuong, Vietnamese ambassador extraordinary and plenipotentiary to Cambodia, was also in the welcoming party.

H.E. Vo Van Kiet and his delegation are scheduled to pay a courtesy call on his majesty the king of the King-

dom of Cambodia. They will also meet with Samdech Chea Sim, chairman of the National Assembly; and hold working talks with Prince Krompreah Norodom Ranariddh, first prime minister, and Samdech Hun Sen, second prime minister of the Kingdom of Cambodia.

Cambodia: Minister Reports on Outcome of Talks With SRV

*BK1004133896 Phnom Penh National Radio of Cambodia Network in Cambodian
1100 GMT 10 Apr 96*

[FBIS Translated Text] A high-level bilateral talk on border problems was held this morning at 1000 in the cabinet office between the Royal Government of Cambodia [RGC], led by Prince Krompreah Norodom Ranariddh and Samdech Hun Sen, first and second prime ministers, and His Excellency Vo Van Kiet, prime minister of Vietnam. The meeting was to examine and implement the joint communique of the two countries' prime ministers, dated 17 January 1995.

The talk lasted two hours and yielded positive results. The two sides agreed to settle the border problems in a friendly and cooperative manner.

After the talks, Their Excellencies Sok An and Veng Sereivut, co-ministers attached to the cabinet, spoke to the press about the results of the talks.

[Begin recording] [Unidentified co-minister] [words indistinct] high-level talks between the RGC and Vietnam. The two sides put forth principles and important ideas as a basis for settling the remaining problems. Two major issues were discussed. First, the two sides evaluated the outcome of past talks. In evaluating (?the outcome of those talks), the two sides unanimously agreed on the concrete outcome (?of the talks) between the two countries. The second point focused on the unsettled problems between the two countries, specifically the two major problems — Vietnamese immigrants in Cambodia, and the border issue. Regarding these two problems, the two sides set forth important principles as a basis for solving them. During the discussion, the two sides agreed [words indistinct] and to continue this work. For example, concerning the problem of the immigrants, we have technical, specialized committees that have met twice already. The two sides agreed that these committees should meet again soon, (?so as) to settle the immigrant problem. This negotiation will be held at a deputy ministerial level.

Regarding the border problem, the main point is that the two sides agreed there must be a joint technical committee between Cambodia and Vietnam to settle this problem. This means that the problem must be settled

through negotiation at the local level by local authorities. If local authorities cannot settle the problem, it should be sent to the provincial level; if the provincial level fails, the matter should then be negotiated at the central level with the participation of the villages concerned and the border committee. If the central committee fails to settle the problem, it should be negotiated at (the government level). This means [words indistinct] the prime ministers of the two countries. If necessary, the prime ministers might set up technical groups [words indistinct]. A very important agreement was also reached at these talks. If a problem occurs, the two sides will settle it in accordance with the above-mentioned mechanism. No comments will be made to the press or propaganda machine before using the above mechanism. This means that we will do our best to maintain the good friendship, relationship, and cooperation between the two countries. [end recording]

Cambodia: SRV's Vo Van Kiet, Leaders Discuss Border Problem

*BK1004161696 Phnom Penh National Radio of Cambodia Network in Cambodian
1300 GMT 10 Apr 96*

[FBIS Translated Text] On the afternoon of 10 April at Chamkamon state palace, Samdech Chea Sim, chairman of the National Assembly of the Kingdom of Cambodia (KoC), granted an audience to His Excellency (H.E.) Vo Van Kiet, prime minister of the SRV.

Present on that occasion were H.E. Ing Huot, foreign minister; H.E. Tran Huy Chuong, Vietnamese ambassador to Cambodia; and many (officials) from both sides.

After extending warm greetings to each other, Samdech Chea Sim expressed great joy that the Vietnamese prime minister's visit, although short, had brought significant benefits to and greatly improved the bilateral cooperation. Samdech Chea Sim said we would settle all the existing problems peacefully.

H.E. Vo Van Kiet expressed profound thanks for the warm welcome Cambodia accorded to his delegation. He said he was very happy this morning to be able to pay a courtesy call on his majesty the king of KoC and meet the two prime ministers of the Royal Government of Cambodia, with the sole desire to bring about good ties and to settle all problems, especially those along the border, through peaceful means step by step (words indistinct).

H.E. Vo Van Kiet stressed that the Vietnamese side respected all conditions in the agreement signed between the two parties.

The Vietnamese prime minister expressed the belief that in the near future, Cambodia will enjoy brilliant peace (under the cool shade of) his majesty the king of the KoC, thus enabling Cambodia to move toward more prosperity.

At 1618 on the afternoon of 10 April, H.E. Vo Van Kiet and his delegation left Phnom Penh for home.

Seeing the Vietnamese delegation off at Pochentong international airport were H.E. Ing Huot, minister of foreign affairs and international cooperation; many high-ranking officials from the Foreign Ministry; and H.E. Tran Huy Chuong, Vietnamese ambassador to the KoC.

Cambodia: Ranariddh Affirms Stance on Solving Border Dispute

*BK1004002496 Phnom Penh National Radio of Cambodia Network in Cambodian
1300 GMT 9 Apr 96*

[Speech by First Prime Minister Norodom Ranariddh at the opening of a youth seminar in Phnom Penh on 9 Apr — recorded]

[FBIS Summary] In his 45-minute address, First Prime Minister Norodom Ranariddh talks about the Royal Government's efforts to develop human resources and calls on youths "to avoid being the political tools of political parties or individuals" and "to be politically neutral."

Ranariddh also talks about world trends and the decline of countries that adopt socialism or communism, saying "the country where socialism was born, the Soviet Union, has already abandoned socialism. Only one or two socialist countries are left now. I dare not talk too much about this because this is an internal affair of these countries. The decisions are theirs to make. I do not want others to interfere in Cambodia's affairs. Therefore, we should also not interfere in the internal affairs of others. The evolution of the world in general is the abandonment of communism, dictatorship, oppression, and violations of human rights."

Ranariddh then talks about leadership which includes the need for mutual confidence and respect between the people and their leaders, the inclusion of younger generation into the leadership structure, and investment to develop the country.

Turning to the border issue, Ranariddh says:

"I would like to inform all of you that tomorrow, I do not want to talk too much about it now, just in case tomorrow's talks achieve nothing and I would be blamed for talking about it here. Tomorrow, at

1000, at the office of the Council of Ministers, there will be a meeting between the two leaders of our Royal Government of Cambodia with Vietnamese Prime Minister Vo Van Kiet at my own initiative to solve the recent border dispute. I would like to again affirm that as a Cambodian and one of the leaders of the country, I will try to solve this problem through every means, particularly through diplomatic and peaceful means, and to avoid war which will inevitably damage our country.

"I would like to again inform the nation that I very much regret the statements by some excellencies saying that I or FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] have raised this problem in order to make political capital. Just now, I called on his majesty the king at the silver monastery [in the royal palace] and swore to all the sacred and revered things there that I do not have any desire to use to exploit this issue for political gain. I only ask that Vietnam respect Cambodian territory, what the agreement clearly stipulates — the Paris agreement which Vietnam is also a signatory — and what is said in the 17 January 1993 public joint statement. I only ask that Vietnam respect this. I am not asking for anything else. I promise you that if Vietnam respects all its pledges and Cambodia's territorial integrity and sovereignty, I have no need to talk about this issue. On the contrary, I only want our Kingdom of Cambodia to have peace and happiness and good relations with our neighbors. I do understand. One excellency said this concerns the nation's survival and is not an issue of any party. This is why I have always raised this issue before the nation because Cambodia does not belong to Ranariddh or any party. Cambodia and Cambodian territory belong to all Cambodians. [applause] Please forgive me, I should not have said this but I am really hurt. Now that I have spoken, I will be accused of being wrong again."

Ranariddh then jokingly recalls a speech he made the other day about Luxembourg and Monaco in Europe being able to live free from territorial encroachments by big neighbors.

Ranariddh also talks about foreign policy saying that "a few weeks ago His Excellency Ing Huot, minister of foreign affairs and international cooperation, on behalf of the Royal Government of Cambodia, officially submitted the application to become an ASEAN member. This is another intention of Cambodia. All of you, young and old, have to unite to restore the country's good name."

Cambodia: Hun Sen Hints at 'New' Assassination Attempt

*BK1104063896 Phnom Penh REAKSMEI
KAMPUCHEA in Cambodian 11 Apr 96 pp 1, 2*

[Report by Saophoan]

[FBIS Translated Text] Samdech Hun Sen, second prime minister of the Kingdom of Cambodia, has canceled all of his scheduled visits to various localities until the end of the upcoming Cambodian traditional new year celebration.

According to separate informed sources, the cancellation of Samdech Hun Sen's visit is due to health and security reasons, which the samdech himself has confirmed.

On 9 April, 97 FM Apsara Radio carried a letter from the Kolap Ti Muoy center thanking Samdech Hun Sen for the sum of \$3,942, his salary from the National Assembly, that he has donated to the center for the organization of the Cambodian traditional new year celebrations on 10 April. In his reply through the same radio, Samdech Hun Sen said: "Owing to my health, security reasons, and the unfavorable timeframe, I and my wife, on behalf of the Cambodian People's Party [CPP], wish to appoint Their Excellencies Say Chhum and Chea Sophara as our representatives to the celebrations. We hope that the center will accept our apologies."

At the inauguration of a school in Prey Veng Province on 8 April, Samdech Hun Sen said there was a deficiency of glucose in his body and that his doctor had advised him to put off his visits to various localities until his health improved. Samdech Hun Sen also spoke about a new attempt to assassinate him, saying "I am aware that there is another conspiracy to assassinate me. No problem! But be careful. If I survive, I will certainly take action against the plotters." Samdech Hun Sen did not however identify the plotters.

In November last year, a plan to assassinate Samdech Hun Sen was organized by Prince Kromkhun Norodom Sirivut, who is the king's stepbrother and who was the secretary general of the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party. Before arresting the prince Kromkhun, Samdech Hun Sen also made an "allusion" to an assassination plan just as he has done now.

Watchers believe that such a plan may well exist in the current situation, in which everything looks normal from the outside. In fact, the presence of "quiet seething" can be detected as one considers several curious events, especially the order jointly issued by the Army General

Staff and the National Police Department on 6 April. The fourth point of the order says: "Movements of the military or national police units of all levels in Phnom Penh, from Phnom Penh to provinces or cities, and from provinces or cities to Phnom Penh should be clearly ordered and should be authorized by the chief of staff and the director of the National Police Department."

The watchers say the order is aimed at thwarting any attempt to organize a plot by elements within the army and police.

The Kingdom of Cambodia's army and police are made up of the military and police forces from the three former Cambodian rival parties, namely, the State of Cambodia, FUNCINPEC, and the Khmer People's National Liberation Front. However, the mixture has not yet become completely homogeneous.

While the prince kromkhun was planning to assassinate him, Samdech Hun Sen said: Should Hun Sen be killed, thousands of other Hun Sen's will stand up. He stressed that it is never possible to use military force to oust him: "You can never win. I don't care who you are..., but you can never overthrow me with the use of military force."

Cambodia: Columnist Discusses Order Controlling Arms, Troop Movement

BK1104020196 Phnom Penh REAKSMEI
KAMPUCHEA in Cambodian 10 Apr 96 pp 1, 2

["This Issue's Comment" column by Srei Neat: "Douse the Fire Before the Rice Overcooks"]

[FBIS Translated Text] General Ke Kimyan, chief of staff of the Khmer Royal Armed Forces [KRAF], and General Hok Lungdi, the national police chief, issued a joint order on 6 April aimed at controlling the use of the nation's arms, and the movement of the explosives and troops into or through Phnom Penh. The order strictly prohibits the use, transportation, or carrying arms without mission papers, and punishment should be strictly meted out by the military court against any violator of this order. Most interesting is the fourth point of the order, which says "the movements of all levels of the KRAF or national police units, including those inside Phnom Penh, from Phnom Penh to the provinces or cities, and from the provinces and cities to Phnom Penh, must have clear orders and mission papers from the chief of staff and national police chief."

Some analysts think that this order shows an irregularity following the confrontation over the power sharing request put forth by Prince Krompreah Norodom Ranariddh, first prime minister and chairman of the FUNCINPEC (National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia) at the 21-

22 March congress. The prince krompreah threatened to withdraw from the Royal Government if the 50-50 power sharing is not implemented from top to bottom levels. Some military and civilian sources, who have asked not to be named, revealed that the armed forces from the two big parties, the Cambodian People's Party [CPP] and FUNCINPEC, have also been instructed to be on alert against one another.

Another source reported that in March in Battambang Province, a FUNCINPEC official of the Royal Government distributed arms to his forces. It has been said that there was a motive behind this arms distribution. Another military source also revealed that a division of troops from the FUNCINPEC party stationed in Treng was ordered to return to Battambang. Some members of the FUNCINPEC's clandestine battalion have been sent out to assess the situation.

A high-ranking official, who asked not to be named, described the issuance of this order as a precaution should the situation turn bad. A CPP official claimed that even if the situation turned bad, the CPP would still try to avoid any bloodshed between the FUNCINPEC extremists and the CPP. He added that even in the case of an armed confrontation, the CPP would be able to cope with the situation. It is believed that this order might be linked only to a quiet confrontation. It is stated in the prologue that this order — which has only six points — was issued in connection with an urgent situation.

An article in the 8 April CAMBODIA DAILY, said that there might be a bloodshed on 13 April, which is Cambodia's traditional new year; however, some observers said that the situation did not seem to be that bad. This is because on 5 April, when they escorted his majesty the king to Kompong Cham Province, Prince Krompreah Norodom Ranariddh and Samdech Hun Sen held a discussion. The result of the discussion was not elaborated upon, however. The CAMBODIA DAILY cited Li Thuch, chief of the prince krompreah's office, as saying that the discussion was positive. The two prime ministers showed that there was no political crisis, nor any problems between the two parties. Li Thuch added that everything was normal.

For whatever reason, this urgent order has been described as "a prevention of the further aggravation of the situation."

Cambodia: Khmer Rouge on Vo Van Kiet's Visit, FUNCINPEC's Flight

BK1004052096 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodia 2330 GMT 9 Apr 96

[Unattributed commentary: "In the Opinion of the Masses the Belief That the Two Heads and Their Communist Vietnamese Master Are Playacting Regarding the Border and Ethnic Vietnamese Problems in Their Bid To Swallow Up Cambodia is Right"]

[FBIS Translated Text] The masses say: Everybody knows that the principal goal of communist Vietnam and its puppets Hun Sen, Chea Sim, and Sar Kheng is to completely eliminate FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia]. So far they have been successful in eliminating almost all of FUNCINPEC. This has been loudly confirmed by Cambodians and foreigners alike. Communist Vietnam and its puppets are extremely dictatorial, monopolistic, and fascist. However, they realize that if they continue to dominate and suppress FUNCINPEC and other parties, there will be no FUNCINPEC and no two-headed structure left, and, therefore, the Western alliance will not give them money.

So communist Vietnam and its puppets clearly see this situation. If the 1997 regional elections and the 1998 universal elections are not held or are held without FUNCINPEC's participation, the Western alliance will not give them any money. For this reason, they are trying to revive the moribund FUNCINPEC. They have decided to sprinkle some perfume on Ranariddh. Ranariddh was told not to talk about the presence all over Cambodia of millions of ethnic Vietnamese and not to mention the fact that Vietnam has shorn off Cambodia's territory, islands, seas, and continental shelves by the tens of thousands of square kilometers. He was instead ordered to speak only about Vietnam grabbing a few square meters of land at Dong village in Svay Rieng Province, which is an insignificant, inconsequential problem. Ranariddh was ordered to blow this matter up to the point of making threats that he would settle it politically as well as militarily. The true meaning behind Ranariddh's inflated words is well known because he has tried to make a mountain out of an anthill.

The masses say: Vo Van Kiet, boss of the two heads, is staging a deceptive theatrical performance in Phnom Penh on 10 April feigning to come here to settle this border problem. Before Vo Van Kiet came to Phnom Penh, he summoned Sar Kheng, a communist Vietnamese puppet politburo member, to brief him on the process of his deceptive playacting. After learning

about the process, Sar Kheng immediately flew back to reveal it to the two heads. What is the reason behind this clown's Phnom Penh visit? It is merely for him to utter this threadbare slogan: The special solidarity, special friendship of the three brothers — Vietnam, Laos, and Cambodia — close to one another like lips and teeth.

So communist Vietnam and the two heads have decided to put up a cosmetic veneer by sprinkling some perfume on Ranariddh in a bid to revive the moribund FUNCINPEC and proceed with preparations for the elections so as to maintain the two-headed structure. On the one hand, they are trying to keep the moribund FUNCINPEC alive and, on the other hand, they are continuing to exterminate FUNCINPEC. The wife of a para [former noncommunist resistance fighters] officer in Kompong Cham who was sent to fight on the Route 10 battlefield told her husband: Communist Vietnamese puppet provincial and district governors are harshly persecuting FUNCINPEC. Many FUNCINPEC members have already run away from their homes. If you do not come back, I will surely be forced to flee too.

This is the truth about communist Vietnam and its puppets trying to crush and eliminate FUNCINPEC. Overtly, communist Vietnam and Hun Sen pretend to support the king while secretly being against FUNCINPEC.

The masses say: Vo Van Kiet's coming to Phnom Penh is to show that there are no problems between communist Vietnam and the two heads. He will say that all power-sharing arrangements at all levels — district, provincial, ministerial, and governmental — will be respected. In this way, Vo Van Kiet will be playacting to let Ranariddh enjoy some semblance of authority.

The masses say: Everybody sees through such playacting. The truth remains that genuine FUNCINPEC members, such as Sam Rangsi and Prince Sirivut, have been dispersed by communist Vietnam and Hun Sen. Genuine FUNCINPEC members in the provinces, districts, and abroad are also being annihilated and dispersed almost to the last man. And yet Ranariddh has not said a word.

The masses say: Communist Vietnam and its puppets continue to playact and the Western alliance continues to go along with this charade. However, the Cambodian nation and people will not stop fighting communist Vietnam and its puppets and will not stop supporting the original FUNCINPEC, whose policy is to end the war of communist Vietnam, to achieve genuine national reconciliation, to rebuild the country, to prevent ethnic Vietnamese from swallowing up Cambodia, to take Cambodian territory back from Vietnam, and to bring about an independent, united Cambodia with genuine

territorial integrity. But the Cambodian nation and people do not support Ranariddh because he has sold out to Vietnam.

Cambodia: Khmer Rouge Spokesman Denounces Visit by SRV Prime Minister

BK1004051796 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 9 Apr 96

["Communique" issued by the spokesman for the Provisional Government of National Union and National Salvation of Cambodia on 9 April; place not given]

[FBIS Translated Text] I. It has been reported that Vo Van Kiet, prime minister of communist Vietnam and chief murderer in the war of aggression and genocide against Cambodia, will set foot in Phnom Penh on 10 April. The Cambodian nation and people most angrily and vehemently condemn this chief murderer of the war of aggression and genocide. The Cambodian nation and people do not want this chief murderer responsible for massacre and genocide in Cambodia to set foot on Cambodian soil. Stay out of Cambodia, you chief criminal aggressor and genocidal murderer of mankind!

II. What is Vo Van Kiet's objective in coming to Phnom Penh?

1. Vo Van Kiet is coming to Phnom Penh to show that communist Vietnam is the master of the two heads; that communist Vietnam is the master of Cambodia within the framework of the Vietnamese-led Indochinese Federation.

2. Vo Van Kiet is not coming to solve the border problems by handing the territory in eastern Cambodia back to the Cambodian nation and people.

3. Vo Van Kiet is not coming to solve the immigration problems by accepting the repatriation of the 4 million-plus ethnic Vietnamese. These 4 million-plus ethnic Vietnamese constitute the forces of aggression and expansion used to snap at and swallow Cambodian territory and exterminate the Cambodian race in all fields and sectors.

4. Vo Van Kiet is coming to Phnom Penh to sweep up and take home all the West's financial aid. Communist Vietnam takes the West's money and uses it in its continuing campaign to crush all the forces supported by the West.

III. The Provisional Government of National Union and National Salvation [PGNUNS] avails itself of this opportunity to reiterate its stance of unrelenting and resolute struggle:

1. To end the communist Vietnamese war and achieve genuine national reconciliation and peace.

2. To make communist Vietnam respect Cambodia's sovereignty and territorial integrity based on the 1:100,000 map that the international community and Vietnam itself officially recognized prior to 1979.

3. To make communist Vietnam accept the repatriation of the ethnic Vietnamese-cum-aggressor forces used to swallow up Cambodia in all fields and sectors.

IV. Vo Van Kiet's trip to Phnom Penh cannot save the two heads and the communist Vietnamese regime in Cambodia. The two heads and the communist Vietnamese regime are collapsing in all aspects. Vo Van Kiet cannot stop this collapse. If communist Vietnam lost its war of aggression despite using hundreds of thousands of troops, then how can the two heads — created from the dirt of communist Vietnam and the alliance — withstand the resistance forces of the Cambodian nation and people? They cannot. Vo Van Kiet cannot save his old puppets nor can he save the evil Ranariddh, his new puppet, despite the great need to use the evil Ranariddh and what remains of FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] as a facade to conceal the presence of black-toothed Vietnamese.

V. Communist Vietnam, its puppets, and the two heads have been unwaveringly slaughtering Cambodians for the past 17 years. The Cambodian nation and people have no choice but to rise up in a struggle to end the communist Vietnamese war, terminate the communist Vietnamese regime, and eliminate the traitorous two-headed lackeys of communist Vietnam so that a genuinely national government can be formed to solve all the problems of the nation and people within an independent, peaceful, united, and sovereign Cambodia enjoying all its territorial integrity.

9 April 1996

The PGNUNS Spokesman

Cambodia: Khmer Rouge Commentary Condemns Visit by SRV Premier

BK1104060796 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 10 Apr 96

[Unattributed commentary]

[FBIS Translated Text] Vo Van Kiet, the top war murderer and chief of the Cambodian race-exterminating communist Vietnamese aggressors, came to Phnom Penh on 10 April 1996 to meet the top traitors who

are his out-and-out lackeys — Hun Sen, Chea Sim, Ranariddh, and Sar Kheng — on the so-called Cambodian-Vietnamese border problem, the problem of the rights of millions of ethnic Vietnamese living in Cambodia, and so on.

The Cambodian nation and people join the Provisional Government of National Union and National Salvation [PGNUNS] in absolutely opposing and rejecting the visit by Vo Van Kiet, the top war murderer and chief of the Cambodian race-exterminating communist Vietnamese aggressors, and all agreements reached between him and the communist Vietnamese puppets that affect the independence, sovereignty, national unity, and territorial integrity of Cambodia.

The resolute and steadfast stance of the Cambodian nation and people and PGNUNS toward the communist Vietnamese aggressors and the nation-betraying two-heads who are selling Cambodia to communist Vietnam is very clear:

1. Communist Vietnam and the nation-betraying two-heads — the top murderers of the Cambodian nation, people, and race for over 17 years — must be indicted for their serious crimes against the Cambodian nation and people and mankind.
2. Communist Vietnam and the nation-betraying two-heads must put an end to their war of aggression in Cambodia; respect the rights to self-determination of the Cambodian nation and people; and respect the independence, sovereignty, unity, peace, and territorial integrity of Cambodia.
3. Communist Vietnam must return the millions of square kilometers of land it has seized in east Cambodia from Ratanakiri to Kampot and Koh Kong Provinces. Cambodia's sovereignty — recognized internationally before 1970 and sacred to Cambodia — can in no way be the subject of negotiations between communist Vietnam and its out-and-out lackey puppets.
4. Communist Vietnam must stop sending in ethnic Vietnamese to swallow up Cambodia and must withdraw the more than 4 million ethnic Vietnamese unconditionally. As they are part of the communist Vietnamese aggressor forces, these Vietnamese have no right whatsoever to live in Cambodia.
5. The Cambodian nation and people and the PGNUNS absolutely oppose the Communist Party of Vietnam's most criminal and dark strategy of incorporating Cambodia into its Indochinese Federation.
6. The Cambodian nation and people and the PGNUNS will continue their resolute struggle to liberate the nation; defend the survival of the nation, people, and

race; and terminate the nation-betraying two-heads with a view to achieving genuine national reconciliation and peace in Cambodia.

Cambodia: Khmer Rouge Claims Assault on Preah Vihear 'Smashed'

BK1004093096 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 9 Apr 96

[FBIS Translated Text] Our National Army of Democratic Kampuchea [NADK] and poor peasants have completely smashed the operation to seize Preah Vihear temple launched by the communist Vietnamese puppets and two-headed traitors.

I. Last March the communist Vietnamese puppets and the two-heads mustered some 500 soldiers left over from decimated units here and there and launched them in an attempt to capture Preah Vihear temple. The NADK and Cambodian people learned in advance about their criminal plan, however, and proceeded to attack them repeatedly. We scattered and seriously decimated their forces. In particular, the poor people and NADK cut all the strategic lines used by the enemy in the plan to capture Preah Vihear temple. On 27 March the enemy began the plan to storm and seize Preah Vihear temple, but their forces walked into our fields of stakes and mines and came under constant sniper fire. Many enemy soldiers were killed, wounded, or forced to flee the battlefield.

II. Our NADK and poor peasants have stepped up attacks against the enemy by using assorted strategic weapons, detonating mines, sniping, and cutting enemy columns into pieces, causing them to lose contact with their rear echelon, depriving them of food and water for days on end, and denying their gunmen ammunition supplies. Many were killed, wounded, or forced to desert.

Their commanders such as Huot Chhieng, Meas Sophea, Khan Savoun, Ke Thi, and Khim Socheat were taken aback and lost all control. On 6 April, they requested permission from the two-headed general staff in Phnom Penh to allow the remaining forces on the mountain and at its base to flee to Toek Sa'em. In so doing, those on the mountain walked into our punji pits and minefields or came under sniper fire, resulting in many deaths and injuries. The forest was strewn with dead and wounded soldiers. Those at the base of the mountain met the same fate.

More than one-third of the traitorous two-headed forces sent to attack Preah Vihear temple from O Pram, O Se Soep Pram Muoy, the 2d Division, the commando

unit of the 2d Division, the 911th Special Paratrooper Unit, the 3d Ranger Battalion, the Stung Treng 1st Region, and the Siem Reap provincial forces were killed or wounded and nearly two-thirds fled the battlefield. The remaining troops became completely demoralized. No one listened to anyone. Our NADK and poor peasants have thus completely smashed the traitorous two-headed operation to capture Preah Vihear temple and are continuing to sweep and assault the enemy.

The NADK Supreme Command would like to express its highest and warmest commendations.

Indonesia

Indonesia: Military Head 'Unsure' of Purchasing F-16's

BK1004015496 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 10 Apr 96

[FBIS Translated Text] General Feisal Tanjung, commander of the Armed Forces of the Republic of Indonesia [ABRI], has said Indonesia may go ahead with its purchase of F-16 jet fighters from the United States. Nevertheless, the minister of state of national development planning and chairman of the National Development Planning Board will be responsible for the purchase of the aircraft. The ABRI commander said this after a function marking the 50th anniversary of the Indonesian Air Force in Jakarta yesterday. Not long ago, the United States offered to sell aircraft to Indonesia that had not been bought by Pakistan.

Replying to a question on whether Indonesia would buy the 28 aircraft offered by the United States, the four-star general said he was still unsure. Obviously, the Indonesian Air Force is still numerically weak.

On the planned purchase of the F-16's, Vice Admiral Sutria Tubagus, chief of staff of the Indonesian Air Force, said the Indonesian Air Force is ready to operate the sophisticated F-16's.

Indonesia: Suharto Welcomes Ukraine President Kuchma

BK1004113596 Jakarta Radio Republik Indonesia Network in Indonesian 0700 GMT 10 Apr 96

[FBIS Translated Excerpt] Ukraine President Leonid Kuchma and his wife arrived in Jakarta this afternoon for a three-day state visit to Indonesia. Radio Republik Indonesia correspondent Hardianto reports:

[Begin recording] The president and Mrs. Suharto welcomed the Ukraine president and his entourage with a state welcoming ceremony at the Merdeka Palace. The national anthems of the two countries were played. The ceremony was also attended by the vice president

and Mrs. Sutrisno, and cabinet ministers. After the ceremony, President Kuchma paid a courtesy call on President Suharto, who then accompanied his guests to the State Guest House where the Ukraine guests will be staying. [end recording] [passage omitted on Kuchma's itinerary]

Indonesia: Editorial Questions India's Possible Entry Into ARF

BK1104065096 Jakarta KOMPAS in Indonesian 11 Apr 96

[Editorial: "Should Countries Outside the Asia-Pacific Region Become Members of the ASEAN Regional Forum?" — received via Internet]

[FBIS Translated Text] Interesting news emerged from the special meeting of senior ASEAN officials in Surabaya from 8 to 10 April 1996. During a briefing at the end of the meeting on Tuesday evening, Izhar Ibrahim, director general for political affairs of the Department of Foreign Affairs, said Indonesia and ASEAN had no objection to accepting India and Burma as members of the ASEAN Regional Forum [ARF].

Izhar Ibrahim expressed ASEAN's hope that there would be a consensus in the near future on the criteria for the participation of India and Burma in the ARF. Nevertheless, the consensus will depend on consultations among the members.

That Indonesia and ASEAN have no objection to Burma becoming an ARF member is normal, because Burma is situated in Southeast Asia. The news from Surabaya was interesting because Izhar Ibrahim cited India as a prospective member of the ARF.

Undeniably, the inclusion of India in the list of prospective members of the ARF has provoked a question. Isn't there something wrong?

The question has come up not because India is unimportant or adopts policies incompatible with ASEAN's principles. The reason is simple: India is not a Southeast Asian country.

India is a South Asian country. India is grouped along with other South Asian countries (Pakistan, Bangladesh, Nepal, Sri Lanka, Bhutan, and Maldives) in the South Asian Association for Regional Cooperation [SAARC]. Therefore, it is normal to ask why India has become a prospective member of the ARF.

As one of the objectives of the ARF is to maintain peace, prosperity, and stability in the Asia-Pacific region, the ARF will be developed into a forum of open dialogue and consultations on political and security issues to

reconcile various views and stances of the diverse ARF members.

As we know, the idea to establish the ARF was first floated by Philippine Foreign Affairs Secretary Raul Manglapus at the annual 23d ASEAN Ministerial Meeting [AMM] in Jakarta in 1990.

At that time, Manglapus asked the other five ASEAN members (Brunei Darussalam, Indonesia, Malaysia, Singapore, and Thailand) and seven [as published] dialogue partners (the United States, Australia, Japan, Canada, the European Union, and New Zealand) to think of the security of Southeast Asia in view of the imminent closure of U.S. military bases in the Philippines.

Manglapus was worried that the withdrawal of U.S. forces from the Philippines would upset the balance of power in Southeast Asia, which since the 1960's had been determined by an equilibrium of four big powers — the United States, China, the Soviet Union (now Russia), and Japan.

Only the Australian and Canadian foreign ministers gave a positive response to Manglapus' idea, while several other countries even rejected it. Nevertheless, the idea to have a forum to discuss regional political and security issues never disappeared from the agenda of ASEAN meetings.

The idea later became a topic of serious discussions when U.S. forces were eventually withdrawn from the Philippines by the end of September 1992. At the 25th AMM in Singapore in July 1993, the six ASEAN members, dialogue partners (including South Korea), and five friendly countries (Russia, China, Laos, Vietnam, and Papua New Guinea) held a working dinner [preceding two words in English] that led to the birth of the ARF.

With the entry of Cambodia, the ARF now has 19 members — the seven ASEAN members (Brunei Darussalam, the Philippines, Malaysia, Indonesia, Singapore, Thailand, and Vietnam), the United States, Australia, China, Japan, Cambodia, Canada, South Korea, Laos, Papua New Guinea, Russia, New Zealand, and the European Union.

The use of the term the ASEAN Regional Forum instead of the Asian Regional Forum has been designed to ensure that the perspective of ASEAN (which will eventually group 10 Southeast Asian countries) is used when dealing with various issues in the Asia-Pacific region covered by the ARF. This is important because such big powers as the United States, Russia, China, and Japan, which usually have their own perspectives in viewing issues in the region, are included in the ARF.

It was agreed at the second ARF meeting in Brunei Darussalam in August 1995 that ASEAN would remain the main driving force of the ARF. The ARF's main targets are the development of confidence-building measures, a preventive diplomacy, and various approaches to conflicts.

It is not easy to achieve all the targets because there are various unresolved conflicts in the Asia-Pacific region, including Southeast Asia. The problems range from overlapping territorial claims in the South China Sea, tension in the Korean peninsula, the China-Taiwan dispute, and the restoration of stability and peace in Cambodia to the commitment of Asia-Pacific countries to the nonproliferation of nuclear weapons.

Why does the ARF still want to accept countries outside the region as new members given that Asia-Pacific countries are already facing many problems?

The presence of Papua New Guinea, a member of the South Pacific Forum, in the ARF should be seen in a different context. Papua New Guinea shares a common border with Indonesia, which is larger in area and population. That country should be wooed to allay its fear of the giant neighbor.

There is no intention at all to discredit India or other South Asian countries. We are, however, doubtful that the ARF will work well if its area of coverage is expanded to include South Asia.

India is currently a dialogue partner of ASEAN along with the United States, Australia, Japan, Canada, South Korea, New Zealand, and the European Union. Therefore, India would have no reason to say that ASEAN is hostile to it if ASEAN rejected its membership in the ARF.

Indonesia: Daily Discusses Finances of National Car Project

BK1104020796 Jakarta SUARA PEMBARUAN in Indonesian 4 Apr 96 p 2

[Editorial: "The Impact of the National Car Project"]

[FBIS Translated Text] The government's decision to launch the national car project by issuing Presidential Decree No.2/1996 on 19 February is expected to have wide-ranging repercussions. One is that the government will lose tax revenues totalling 4.9 trillion rupiah in the coming three years because the decree stipulates that it will not impose import duties on spare parts not yet produced in the country. Similarly, it will not be able to collect a luxury goods tax for the 150,000 units of national cars to be manufactured by Timor Putra Nasional Co. Ltd.

Speaking to ANTARA in Semarang on 31 March, Bimantara Group President Director Bambang Trihatmojo reiterated his group's plan to produce 1,000-cc national cars named Bimantara this year. He disclosed the plan last month and said he was waiting for the government's response. Shortly afterwards, Industries and Trade Minister Tunky Ariwibowo said Timor Putra Nasional Co. Ltd. will be the only company to manufacture national cars.

The loss of tax revenue was mentioned by F.X. Suseno, secretary general of the Indonesian Motorized Vehicles Industry Federation, at an economic workshop entitled: "The Presidential Decree No.2/1996 and efforts to build a national car industry" organized by the Center for Information and Development Studies in Jakarta on 28 March. The loss is calculated from the nonimposition of import duties on spare parts and a luxury goods tax for each national car.

Another loss totalling \$750 million or 1.8 trillion rupiah will come from the use of foreign funds to import \$5,000 in spare parts for each of the 150,000 national cars. Additional costs for the project may include the construction of factories and the import of equipment.

Speaking to reporters on 29 March, Director General of Taxation Puad Bawazir commented that there will be a multiplier effect [two preceding words in English] in marketing the national car. Namely, it will result in other economic benefits, including raising state revenue from the valued added tax and income tax paid by car buyers and distributors.

The problem is how large the value of such a multiplier effect is? If it can reach or surpass 4.9 trillion rupiah, the government's national car project will not affect state income. If it fails, there will be several effects, including an obvious deficit, which the government must find ways to manage.

As such, in terms of state income, the national car project is useless if the multiplier effect cannot cover the deficit. The use of foreign funds totalling 1.8 trillion rupiah for the project is also a waste of funds.

If by the third year the local component content of the car does not reach 60 percent, there will be an repercussion. This scenario was put forward by Faisal Basri, director of the Social and Economic Research Institute of the University of Indonesia. The presidential decree also stipulates that the national car maker must repay to the government the spare part import duties and the luxury goods tax if this local component target is not realized by the third year. This also means that the national car producer owes 4.9 trillion rupiah to the government.

The national car maker will reportedly make a profit of about 15 million rupiah for each car, which is to be sold at 35 million rupiah. This means that the company will make a total profit of 2.25 trillion rupiah for 150,000 cars. This also means that the company must add another 2.65 trillion rupiah to repay its debt to the government. If the company can pay, then there is no problem. If it cannot, consumers who pay 35 million rupiah for the car are really lucky people.

Indonesia: Suharto Stresses Importance of Indonesia's Exports

96SE0050A Jakarta BISIS INDONESIA
in Indonesian 23 Mar 96 p 1

[FBIS Translated Text] Jakarta (BISIS)—President Suharto yesterday reiterated the government's commitment to deregulation and debureaucratization and asked that exports of mainstay products continue to be strengthened.

"The government has performed deregulation and debureaucratization and will continue to do so. Through deregulation and debureaucratization, we hope to improve the efficiency and effectiveness of the national economy."

The chief of state said this yesterday at the State Palace in Jakarta as he gave guidance to participants in the Department of Industry and Trade Consolidation Meeting.

According to the president, the government is determined to proceed with this policy, because unnecessary bureaucratic obstacles can be eliminated through deregulation and debureaucratization. From another aspect, he continued, it will encourage the growth of initiative and creativity in the community.

"Thus, because the basis of our national economy will become broader and deeper, we will have economic resilience and the strength to push ahead with development," the chief of state said.

President Suharto added that industry, now that it has experienced progress, must be able to produce export products. "This endeavor will succeed if the goods produced by domestic industry are of high quality and have competitive prices."

He said that the competitive atmosphere of the international trade sector in this era of globalization has already been felt during the last few years. "The value of our non-oil-and-gas exports has indeed increased, but the rate of growth has declined."

Mainstay Products

This has occurred, said the president, primarily because of sharp competition on world markets and not because of sluggish international demand.

"To meet this challenge, we must watch the rate of growth in the industrial and trade sectors. There is no other way: We must strengthen our mainstay export products."

The chief of state said that these products have a big share in economic growth and that we also need to create and develop new export commodities.

"In other words, we must increase the value of exports and multiply the types of goods we export. In addition, we need to expand the number of export target countries and shorten the distribution channels to foreign consumers."

As he has been doing in recent months, the chief of state again emphasized the import problem. At the meeting of the Limited Cabinet for the Economic, Financial, Development Supervision, and Production and Distribution Sectors early this month, President Suharto had instructed that imports be kept down, because the 1995 trade surplus of \$4.75 billion was a decline from the performance of the previous year, when the surplus reached \$8.18 billion.

The president said that the trading BUMN's [state-owned enterprises] must be overhauled and readied to perform this important job.

"International trade networks must be expanded and made efficient, using cooperation with domestic and international companies if necessary."

The president asked the Department of Industry and Trade to expand its role and coordinate the work of organizations involved with exports. "An important and necessary step is the vigorous introduction and promotion of our goods on world markets. Because this will be a new thing for us, we must handle it with determination."

According to the chief of state, an equally important matter is the control of imports. "The way to do this is not by bans or limitations but by carefully and comprehensively planned policies and actions with clear goals."

One such action, the president said, will be to speed up the development of domestic upstream, support, and component industries.

Indonesian Economic Policies Called Inconsistent

96SE0050C Jakarta *BISNIS INDONESIA*
in Indonesian 22 Mar 96 p 1

[FBIS Translated Text] Jakarta (BISNIS)—According to observers, the government's recent economic policies have been increasingly inconsistent, and it is feared that this will have a negative influence on the flow of foreign capital into Indonesia.

Economic observer Mari E. Pangestu pointed to the case of petrochemical industry protection (the "tariff barrier" for PT [Limited Company] Chandra Asri) and the lack of transparency in the process by which PT Timor Putra Nasional was appointed maker of a national automobile as regressions in the government's position.

He said that these developments only hurt Indonesia's position in the eyes of foreign investors. "In the present era of free trade, all our policies are monitored by the outside world, particularly investors."

He said this on Wednesday [20 March] at a seminar entitled "A Vision for Indonesian Economic Development As We Face the 21st Century," which was held by the Demographics Institute of the University of Indonesia.

He said that INPRES [Presidential Instructions] No. 02/1996 (about development of a national automobile industry) makes foreigners ask, "Are you serious or not about liberalization of the economy? This will interfere with the inflow of capital."

Japan, he said, has declared that it will submit the automobile issue to the WTO [World Trade Organization].

Mari expressed regret over the government's position, which comes at a moment when Indonesia needs a strong flow of foreign funds to finance its big current account deficit.

The government projects a funding requirement of 815 trillion rupiah (\$400 billion) to finance the economy at a 7.1-percent annual growth during REPELITA VI [Sixth Five-Year Development Plan]. Of that amount, the government hopes for an average annual "net capital inflow" of \$4.6 billion, or \$23 billion for all of REPELITA VI.

That figure is quite realistic, according to Mari. Indonesia must be careful, however, because the rate of growth in foreign funding slowed drastically in 1994-95, particularly investment portfolios, which dropped by 15 percent (1993-94), he said.

Reasons for this include Japan's still ailing economy and high U.S. interest rates.

Mari Pangestu noted that in seeking foreign capital, Indonesia now faces serious competition from China, Thailand, Vietnam, and other East Asian countries.

Problems

Coordinating Minister for Production and Distribution Hartarto said at the opening of the seminar that several problems still hinder the national economy, including the fluctuation in exchange rates, which is a burden to debt repayment and the balance of trade.

He said that if good economic management can be maintained, the quantitative target for Indonesia's long-term development can be achieved by 2018.

"To that end," he said, "the government will maintain prudent macroeconomic policies, with the support of dynamic national stability."

In addition, Hartarto said, the government will proceed with deregulation and debureaucratization and policies that encourage non-oil-and-gas exports and foreign trade that is fair and transparent.

"We must be more responsive to strategic national, regional and global developments, which we must take advantage of to spur economic development in a better way," he said.

Keiji Omura, guest lecturer at the Economics Faculty of the University of Indonesia, who also spoke in the seminar, said he felt that because of Japan's still unstable economy and the continuously fluctuating value of the yen, Indonesia needs to diversify its financing sources.

According to Mari and Omura, the big current account deficit makes resolution of the funding problem a pressing need.

Mari added that the government's special treatment of certain companies is contrary to the principles of transparency, "national treatment," and "nondiscrimination" to which Indonesia agreed in APEC [Asia Pacific Economic Cooperation] and GATT forums.

Because of Indonesia's willingness to accept free trade principles as embodied in APEC, AFTA [ASEAN Free Trade Area], and GATT decisions, "the government has less and less room to avoid the norms of international trade to which it agreed," said the CSIS [Center for Strategic and International Studies] staff member.

Indonesia: Structural Problems in Economy Noted
96SE0050D Jakarta BISNIS INDONESIA
in Indonesian 22 Mar 96 p 1

[FBIS Translated Text] Jakarta (BISNIS)—Economists feel that structural problems could hinder continuation

of Indonesian economic growth if they are not resolved immediately.

Sri Mulyani Indrawati, deputy chief of the Institute for Economic and Societal Studies at the University of Indonesia, said that internal conditions in the Indonesian economy face several problems, including the low quality of human resources and the concentration of industrial structure.

"The structural problems faced by Indonesia are a consequence of the lack of clarity in the orientation of government policy on industrialization," she said this week at a seminar entitled "A Vision for Indonesian Economic Development As We Face the 21st Century."

She said that in the phasing of industrialization there has been a "missing link" that has caused structural problems such as unemployment and urbanization. According to Sri Mulyani, this can be seen in the fact that most (80 percent) Indonesian people have only primary education.

"This missing link" is a result of too rapid growth in the industrial sector, which ultimately produced a gap between the industrial and agricultural sectors."

Elsewhere, economic observer Sjahrir said he believes that control of markets by certain players in the economy has created high prices, which are imposed on consumers. This market control, he said, is caused by the government's position in providing protection for certain industrialists.

"The emergence of marketing control for several commodities has enabled industrialists to manipulate the prices (so that they are high) that are imposed upon consumers," he said Wednesday [20 March] in a public speech on financial management at the Academy for Company Leaders in Jakarta.

From another aspect, Sjahrir said, companies are willing to pay the government (to secure the political situation), and in return they obtain protection. "These company expenditures are made by raising prices. In the end, it is the consumer again who bears the burden."

Sri Mulyani added that the high level of industrial concentration has produced unfair prices and put consumers in a weak position.

Market Failure

Faisal H. Basri, chief of the Development Studies Program at the Economic Faculty of the University of Indonesia expressed a similar opinion. He said the Indonesian industrial sector's lack of readiness to compete on international markets has forced the

government to provide protective facilities to certain commodities. "The result is market failure."

Faisal cited the example of market failure in the automotive industry. "Market failure cannot be resolved by the government's arbitrary entry into the market."

Ari Kuncoro, another researcher at the Economic and Societal Research Institute of the University of Indonesia, said that the economic growth Indonesia has achieved has resulted in increases in consumption and imports. "Under these conditions, the government has to be careful in using exchange rate policy, because it is too costly."

Indonesia: Article Criticizes New Tariff on Propylene

96SE0050B Jakarta GATRA in Indonesian
16 Mar 96 p 83

[Article by Winarno Zain: "Added Tariff on Propylene"]

[FBIS Translated Text] When Minister of Industry (now Minister of Industry and Trade) Tunky Ariwibowo and Minister of Finance Mar'ie Muhammad said five months ago that the government would not give protection to Chandra Asri, many people were skeptical and disbelieving. They were right. Since February, the government has been imposing a supplemental import fee (BMT) of 20 percent on imports of propylene, Chandra Asri's main product. Propylene is a raw material for making polypropylene, which is then used for making plastics.

All the propylene from Chandra Asri is bought by PT [Limited Company] Tri Polyta for producing polypropylene. Both Chandra Asri and Tri Polyta are owned by the Bimantara, Barito, and Napan group. Because Tri Polyta has been listed on the NASDAQ [National Association of Securities Dealers' Automated Exchange] in New York, it has to be "transparent." It was through the NASDAQ that the 20-percent BMT was revealed. According to Tunky, the 20-percent BMT, as disclosed by NASDAQ, is temporary and will remain in effect only until June.

Tunky added that the 20-percent policy is a "win-win" solution chosen by the government so that the upstream industry can survive and the downstream industry can use local production without hurting the final consumer. "If it does not hurt the public, there is no problem with imposing a 20-percent BMT. The important thing is that upstream industry survives and imports can be kept down," said Minister Tunky.

Chandra Asri's propylene production capacity is about 245,000 tons per year. That is not enough to meet the demands of the polypropylene industry, which needs

about 450,000 tons every year. In fact, Tri Polyta still has to import 40 percent of its propylene needs, because supplies from Chandra Asri meet only 60 percent of its demand. This means that if a 20-percent BMT is imposed on imports, the cost of Tri Polyta polypropylene will go up, provided that Tri Polyta pays import fees like other companies.

Thus, from the cost aspect, Tri Polyta would benefit more if there were no BMT on imports. Moreover, the price of propylene on the international market is dropping. Last year, the price of propylene fell by 30 percent, to \$500 per ton, while the price of Chandra Asri propylene bought by Tri Polyta was \$750 per ton. Thus, why did the owner of Chandra Asri and Tri Polyta lobby the government for an increase in import tariffs on propylene?

In truth, Chandra Asri has no strong reason for requesting protection. Besides the fact that its entire production is absorbed by its own group, local companies actually prefer to use supplies from Chandra Asri because it is profitable from the aspects of transportation and working capital. Chandra Asri management reportedly asked the government to impose a 40-percent tariff on propylene. With the imposition of the 20-percent BMT, the import tariff became 25 percent.

Discussion of this protection had stopped when the government decided that the government and the buyer of the Chandra Asri product would draw up a price formula as an alternative to protective tariffs. This was Chandra Asri's practice when it sold ethylene to five downstream industries, including PT Asahimas and PT Peni, owned by Sigit Hardjojudanto. From the aspect of the national economy, the existence of Chandra Asri means foreign exchange savings on imports that could reach \$600 million, a rather significant sum for Indonesia, whose current account deficit has reached \$8 billion. Thus, why was the 20-percent BMT imposed if not to protect Chandra Asri?

This increase in the import tariff on propylene will be most felt by new investors in the polypropylene industry, and one of those new investors is PT Polyrama Propindo, owned by Hasjim Djojohadikusumo in a joint venture with BP Chemicals. In the polypropylene industry, Polyrama is Tri Polyta's main competitor. It is true that Polyrama's production capacity is only 100,000 tons per year, far below Tri Polyta's production of 340,000 tons, but Hasjim apparently is going to increase the capacity of his plant and depend on imported raw materials. Polyrama's present propylene needs can still be met by supplies from PERTAMINA [National Oil and Natural Gas Company] EXOR [Export-Oriented Refin-

ery) I at Balongan, Indramayu, which coincidentally is located beside Polytama's polypropylene plant.

Therefore, if Hasjim increases Polytama's capacity by 100,000 tons, it will need an additional propylene supply of 102,000 tons. In Chandra Asri's next expansion, however, it will add a capacity of only 57,000 tons. Since polypropylene prices are falling, it would be more competitive if Hasjim depended on imported raw materials. Thus, the government's decision to impose the 20-percent BMT will hit Hasjim's project. The same is true of some domestic factories that use plastics, as experienced by PT Indogravure, a producer of materials for flexible packaging ("flexible packaging industry").

The result is that, like it or not, packaging products used by the food and pharmaceutical industries will clearly be affected, too. "This policy will make the prices of finished products expensive. Even if we want to export, it will also be a problem," Sunarto Prawiro Sujanto, principal director of Indogravure, told GATRA's Ahmad Husein.

The 20-percent BMT policy causes concern for many industrialists. They feel that the government's policy is not tenable and will reduce investor interest in the industry. This trend is also contrary to the objectives of free trade, now being pioneered through AFTA [ASEAN Free Trade Area] and APEC [Asia Pacific Economic Cooperation] and is also contrary to the spirit of domestic economic deregulation.

Indonesia: Kalimantan Town 'Under Control' After Riot

BK1104063996 Jakarta SUARA KARYA
in Indonesian 11 Apr 96 p 1, 8

[FBIS Translated Text] Pontianak (SUARA KARYA) — People involved in attacking the camp of a field artillery unit in Ngabang, West Kalimantan, want to settle the matter amicably with the Armed Forces of the Republic of Indonesia (ABRI). Nevertheless, the violation of law during the riot will be settled in accordance with the law.

West Kalimantan Governor H. Aspar Aswin said this to reporters after presenting a list of provincial projects for the 1996-97 fiscal year at the West Kalimantan Provincial Secretariat in Pontianak on Wednesday (10 April). "The situation in that area is now well under control," he added.

According to Aspar Aswin, no one masterminded the attack and it was the spontaneous act of angry residents. Nevertheless, the spontaneous act was deeply regretted because it has had a serious impact. "The residents should not have been that violent. The root of the

case was trivial, wasn't it? I think sociologists need to investigate why the incident happened," he said.

As reported earlier, at least 2,000 residents rioted and attacked the camp of the field artillery unit at Ngabang town, West Kalimantan, on Sunday (7 April). A resident was shot dead by an ABRI member and four others injured during the riot.

The incident was triggered by a quarrel between Jening, a Ngabang resident, and a plainclothed member of the field artillery unit when the former's motorcycle almost hit the latter. The 4 April incident led to members of the field artillery unit kidnapping and torturing Jening and his brother. The two were seriously injured and later treated at the Dr. Sudarso Hospital in Pontianak. There were rumors that the brothers had died.

Upon hearing the news, residents became angry and en masse attacked the camp of the field artillery unit. They indulged in acts of burning and destruction. Cars passing the area were stoned.

Major General Namuri Anom, commander of the Tanjungpura Sixth Military Region Command, said the protest was caused by misinformation. The command has detained those responsible for beating and shooting at the residents. "Our personnel shot at residents in self-defense," he said.

The Tanjungpura commander and the West Kalimantan governor inspected the riot site and visited relatives of the dead person. The command has promised to settle the case once and for all.

Meanwhile, Governor Aspar Aswin said the provincial administration and the ABRI will meet community, cultural, and Islamic leaders to prevent a more serious situation developing in the future. The governor urged all sides to exercise self-restraint and not to be influenced by unclear rumors. You can rest assured that this matter will be properly settled," he stressed.

Philippines

Philippines: President Ramos Views Korean Tension

BK1004013996 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 2230 GMT 9 Apr 96

[FBIS Translated Text] President Ramos has admitted that the Philippines could become involved in the tension building along the Korean border. According to the president, the tension arising from North Korea sending troops into the Demilitarized Zone concerns Korea's neighbors, including the Philippines. The president has called on the two Koreas to settle their conflict through peaceful means based on the armistice agreement.

Philippines Official Discusses APEC Planned Activities

BK1004103796 Manila BUSINESS WORLD
in English 9 Apr 96

[Report by Paul N. Villegas — received via Internet]

[FBIS Transcribed Text] President Ramos has asked business leaders to get more involved in Asia Pacific Economic Cooperation (APEC) activities in effect urging the business community to throw its support to the proposed APEC Business Forum (ABF).

The business forum, which is scheduled to take place from 22 to 24 November in Manila parallel to the APEC ministerial meeting, is expected to discuss and propose APEC-wide projects in four areas: small- and medium-sized enterprises; information technology and telecommunications; capital markets; and infrastructure.

Convenor

Former foreign affairs secretary and now Philippine Long Distance Telephone Co. (PLDT) chairman Roberto Romulo has been designated by Mr. Ramos as the ABF's business sector coordinator and conveyor. Henry Esteban, chairman of the APEC Business Advisory Council, was appointed as the ABF's co-convenor.

"As chairman of APEC in 1996, I would like the business sector to organize and host an APEC Business Forum in November this year. I envision the ABF to be the business sector's own forum within APEC."

"While the ABF should be a purely business sector undertaking, I believe that the ABF should be convened by the business sector in close coordination with the APEC Business Advisory Council (ABAC)-Philippines," Mr. Ramos wrote in his memo to Mr. Romulo, a copy of which was furnished BUSINESS WORLD.

A well-placed source at the Department of Foreign Affairs (DFA) said the president's letter to each of the 18 APEC leaders on the proposed business conference will be sent this week to ask for their endorsement of the project.

Although the forum's participants will be attended by ABAC representatives and chief executive officers of SMEs and large corporations of each APEC member economy, the ABF delegates might hold formal discussions with the APEC ministers and leaders.

No Objection

Mr. Romulo said he does not foresee the leaders of the APEC member economies objecting to the proposed business forum although some of them might have

a hard time choosing whom to send to the Manila conference.

"We hope there will be some sort of a meeting with the ministers and, on a more selected basis, with the leaders. Perhaps a select group will summarize the proceedings of the ABF to the leaders."

"In turn the leaders will respond to them. That would formalize the fact that the business sector will be talking to the leaders, which is a first of its kind in APEC," Mr. Romulo told BUSINESS WORLD.

The ABF is a by-invitation only conference for CEOs of small, medium and large companies from each of the 18 member economies, with each delegation allowed to send a maximum of 25 participants only.

The participants are expected to come from corporations of broad concerns-especially those in the SME, information technology and telecommunications, capital markets and infrastructure sectors-and ABAC.

The delegates will be selected by officials of each APEC member economy.

Prior to the business conference in November, four preparatory meetings-one each for the aforementioned sectors-will be convened to review specific issues and projects for each sector concerned.

These meetings are tentatively scheduled to take place in May, July, August and September.

"We want everything to be formalized by September so that ABAC can discuss the (output of the ABF preparatory meetings) with the APEC senior officials."

"As you know, nothing happens in the APEC summit or the APEC ministerial meetings unless there has been clearance from the senior officials."

"We want to make sure we're synchronized with them because (ABAC representatives) also report to the senior officials," Mr. Romulo said.

He said the business sector is expected to put some flesh in the four industry sectors during the November business conference by coming out with projects and recommended policies on those sectors.

"The president is hoping there will be a greater chance that something will be implemented before Canada hosts the next APEC summit."

Private Sector Driven

"We want to demonstrate intra-APEC cooperation which is driven exclusively by the private sector."

"We want to integrate the business sector in APEC," Mr. Romulo said.

The Manila-hosted business conference will be organized by the Philippine business community through the newly-created ABF Foundation, a non-stock, non-profit organization headed by the chairmen and presidents of the Makati Business Club, the Management Association of the Philippines, Financial Executives Institute of the Philippines, Bankers Association of the Philippines, and the Federation of Filipino Chinese Chambers of Commerce and Industry.

The Foundation's president and chairman is Mr. Romulo while its board of trustees include Foreign Affairs Secretary Domingo Siazon, Trade Secretary Rizalino Navarro, Ramon del Rosario, Sr. of PHINMA, Jaime Augusto Zobel de Ayala of Ayala Corp., Francisco Eizmendi of San Miguel Corp., Antonio Cojuangco of PLDT, Oscar Hilado of PHINMA, Rafael Buenaventura of the Bankers Association of the Philippines, Octavio Espiritu of Far East Bank and Trust Co., Jimmy Tang of the Filipino-Chinese Chamber of Commerce, and Henry Esteban of ABAC.

The group held its first meeting last week to thresh out the business community's concern over the APEC Business Forum this November.

Representatives

Meanwhile, the Philippine Government and the business sector want the United States and other member economies of APEC to finalize their representatives to the ABAC this month so that Manila can start preparing for the November APEC business conference, its four preparatory meetings, and the first general meeting of ABAC representatives.

A well-placed source at DFA said that President Ramos, APEC's current chairman, has requested American President Bill Clinton to come up with Washington's representatives to the ABAC by 15 April.

The request was made in a letter he sent to Mr. Clinton, along with the other APEC leaders, informing them of Manila's plans to host the ABF this November.

ABAC representatives and CEOs [chief executive officers] of small, medium and large corporations from each APEC member economy are expected to attend the business conference, which will focus on small- and medium-size enterprises, information technology and telecommunications, capital markets and infrastructure.

Mr. Romulo, who has been designated as convener and chairman of the ABF, said he expects to receive by May the list of CEOs and ABAC representatives who will be attending the business conference.

"Most likely we will know the CEOs and ABAC representatives who will be attending the ABF by May.

"But it's not our call because the (APEC trade ministers) will have to select the delegates for the ABF.

"I hope they will be able to decide whom to send to the ABF by May because we still don't know all the ABAC representatives," he told BUSINESS WORLD.

The Philippine APEC Secretariat in Manila said the appointments for the ABAC representatives are still being worked out by the APEC member economies.

Although the Philippine Government did not impose a strict deadline for the submission of the list of ABAC representatives, it expects each member economy to come up with their list by 15 April.

Except for the Philippines and Papua New Guinea, most of the APEC member economies have yet to submit their list of ABAC representatives.

In the case of the US, although it already has a shortlist of possible ABAC representatives, DFA sources believe the Clinton administration could have some difficulty in selecting their ABAC pointmen because a number of American CEOs want to become part of the APEC advisory council.

They said Washington would most likely announce their ABAC representatives during the Pacific Basic Economic Council conference in Washington DC this May.

Mr. Romulo said it is important that each APEC member submit its list of ABAC representatives and CEOs for the ABF "at the soonest time possible" because of the conference's four preparatory meetings, which are scheduled to take place in May, July, August and September.

Participants at the preparatory meetings will comprise senior staff representatives of the delegates attending the ABF.

"We want everything to be formalized by September so that ABAC can discuss the (output of the ABF preparatory meetings) with the APEC senior officials.

Clearance

"As you know, nothing happens in the APEC summit or the APEC ministerial meetings unless there has been clearance from the senior officials.

"We want to make sure we're synchronized with them because (ABAC representatives) also report to the senior officials," Mr. Romulo said.

One of the highlights of the ABF meet this November is for the participants to come up with intra-APEC projects

to manifest the important role of the private sector in the APEC process.

"The projects which the business sector would agree on in November would have been already prepared through the ABF preparatory meetings. The November meeting is just a matter of highlighting and fine tuning these projects," Mr. Romulo said.

"ABAC is the formal institution in APEC while ABF is meant to broaden that presentation. The ABF is not a formal institution but an initiative of the president as chairman of APEC. Basically, it's suppose to work hand in glove with ABAC," Mr. Romulo said.

Philippines: Military Denies Plans for Joint Training With Taiwan

BK1004042496 Quezon City Radio Filipinas in English 0230 GMT 10 Apr 96

[FBIS Transcribed Text] The Philippine military on Tuesday [9 April] denied reports it has agreed to a joint training program with Taiwan's Air Force. Lieutenant Colonel Leopoldo Maligalig, AFP [Armed Forces of the Philippines] spokesman, said the Armed Forces of the Philippines has no knowledge about it and, we quote: We are fully aware of the one China policy; we will abide by the one China policy, end of quote. Maligalig added that the military had not received any requests for such a program.

Taiwan's LIBERTY TIMES, quoting an unnamed high-level military official, said on Monday that the two armed forces had reached an agreement for an exchange program and Taiwan would send fighter pilots to the Philippines for training in July this year. The Philippines does not maintain diplomatic ties with Taiwan; it only recognizes the communist government in Beijing. Taiwan, facing rising military threats from China, has been actively strengthening its air defenses in recent years.

Philippines: Ramos on Problems With MILF, Singapore Ties

BK1104071596 Quezon City Radio Filipinas in English 0230 GMT 11 Apr 96

[Weekly news conference by Philippine President Fidel V. Ramos with domestic correspondents, moderated by Press Secretary Hector Villanueva, at Malacanang Palace in Manila on 10 April — recorded]

[FBIS Transcribed Excerpt] [Passage omitted] [Unidentified correspondent] Does the government consider the attacks staged by the MILF [Moro Islamic Liberation Front] and the Abu Sayyaf as provocative acts to derail the peace talks?

[Ramos] No, the AFP [Armed Forces of the Philippines] is just doing three things: Number one, protecting the uninvolved innocent civilian population, which is a constitutional mission; number two, the combined forces of the PNP [Philippine National Police] and the AFP are also enforcing the law; and number three, we are just preventing any outburst of larger hostilities in the area. So there are no aggressive intentions on the part of the AFP and the PNP.

[Correspondent] So how [word indistinct] serious the problem then, Sir?

[Ramos] Well, serious in the sense that a very big project has been interrupted, which is the Malmar irrigation project, intended to irrigate some 10,000 hectares of good agricultural land that which is right now is just rain-fed, and that irrigation project will redound to the benefit of everybody, including the MILF.

[Correspondent] Thank you. [passage omitted]

[Villanueva] Nellie?

[Nellie — not further identified] Sir, in a recent issue TIME magazine called you Mr. Fix-It for having fixed a lot of Philippine ills initially thought beyond fixing....

[Ramos, interrupting] Fix-it or fixer? [laughter]

[Nellie] Mr. Fix-It, hyphenated, Sir. That was in an issue about a month ago. But anyway, Sir, in light of that and in light of what is happening down south, can Mr. Fix-It fix Mindanao?

[Ramos] Well, with the help of a lot of people, surely we will be able to fix it. But the local people themselves must exert much efforts and the local government officials themselves must do what they have to do, which is to deliver basic services and provide good local governance. But I start with the people. There is a mix of people out there and everybody must add that sincerity and dedication to work with government so that we can bring about peace and development in Mindanao finally.

[Nellie] This will be achieved when both parties meet in Jakarta?

[Ramos] Well, the problem of Mindanao is a two-pronged problem. It is instituting enduring peace and the other part of it is putting in place sustainable development. Peace without development is meaningless — as I have said on many occasions — and development without peace will not happen.

[Nellie] Thank you.

[Ramos] Thank you.

[Villanueva] Joel Paredes?

[Paredes] Sir, the Singaporean ambassador is (?coming) tomorrow. Since this is a signal of complete normalization of ties between our two countries....

[Ramos, interrupting] Of course. We said that a month ago when the (?agreements) were issued.

[Paredes] Sir, but how do you reconcile this with the protests being initiated by militant groups, and that includes the family of the late Flor Contemplacion?

[Ramos] Well, people are free to protest in this country, but governments take action to normalize and re-establish friendly relations, which is what we have done with Singapore.

[Paredes] Thank you, Sir.

[Ramos] Thank you.

[Villanueva] Marichu?

[Marichu Villanueva] Good afternoon, Mr. President. Marichu Villanueva from PHILIPPINE STAR. Sir, I recall about three weeks ago when you were in Mindanao you announced that DILG [Department of Interior and Local Government] Secretary Raffy Aguilar has forged a cease-fire agreement with the MILF. But for the past weeks or the past few days, Sir, there have been armed skirmishes between AFP and the MILF forces. [Word indistinct] in line with these, is the government thinking of including in peace negotiation the MILF or a separate peace negotiation with them?

[Ramos] Talking about the cease-fire, my statement is correct. But you will recall also that the MILF attacked six detachments of the 6th Infantry Division some time ago, causing a lot of casualty. Naturally, the AFP detachments have to protect themselves. And so the cease-fire has been broken, we might say, but not by the AFP. They will continue to exert efforts to restore the cease-fire. This is the current effort now of Southcom [Southern Command] Commander Ambid, Chief of Staff Enrile, and PNP Director General Sarmiento assisted by the governor and his officials, principally Maguindanao Governor Sakandao.

[Marichu Villanueva] How about the second part of the question, Sir?

[Ramos] Well, that is something that has not been proposed by anybody. In the meantime, we will continue to work with the MNLF [Moro National Liberation Front].

[Marichu Villanueva] Thank you, Sir.

[Ramos] Thank you. [passage omitted]

Philippines: Ramos Views Guidelines for Refugee Center Conversion

BK1104064596 Quezon City Radio Filipinas in English 0230 GMT 11 Apr 96

[FBIS Transcribed Text] Philippine President Ramos has revealed guidelines to be followed in the conversion and development of the 380-hectare former Philippine Refugee Processing Center [PRPC] in Morong, Bataan. The president said during his weekly press conference that he met last night with members of a committee for the conversion of the PRPC, the Philippine Economic Zone Authority, Subic Bay Metropolitan Authority, and Bataan local officials to stress the urgency of the PRPC conversion and development.

The president calls for speed in the process and the need to establish world-class facilities in the wake of developments in the Asia-Pacific region. The president said the Philippines would likely be eyed as the destination of foreign investors taking into account events and situations around Asia, referring to Hong Kong's handover to China in 1997, the Korean Peninsula and the Taiwan-China tension, and the holding of the Asia-Pacific Economic Cooperation leaders' summit in Subic this November. The president also stressed the importance of private sector participation in the development of the PRPC complex, saying it is basically an economic program. The president also called for the discussion of issues in the conference room, not by press releases and the issuance of a joint communique or statements. The other guiding principles mentioned by the president were environmental protection, conservation, and enhancement; human resource development; avoidance of litigation; establishment of one set of rules in sharing the cost of development; and agreement on who will (?secure) the area, world-class facilities, [words indistinct], and maximum economic benefits.

Philippines: International Airport Called 'Veritable Fire Trap'

BK1004122596 (Internet) The Journal Group WWW in English 30 Mar 96

[This web page publishes material from four daily newspapers and a weekly magazine put out by the "The Philippine Journalists, Incorporated (PJI), also known as The Journal Group." The dailies are THE PEOPLE'S JOURNAL, THE PHILIPPINE JOURNAL, THE PEOPLE'S JOURNAL TONIGHT, and THE PEOPLE'S TALIBA. The weekly is the WOMEN'S JOURNAL; report by Conrado Ching]

[FBIS Transcribed Text] Surprise inspection shows NAIA [Ninoy Aquino International Airport] a veritable 'fire trap.' The official who requested anonymity, also

admitted that they are inspecting the airport's fire extinguishers, sprinklers, emergency exits only now due to the Ozone Disco fire that killed 160 people in Quezon City.

Reporters assigned at NAIA themselves observed that the fire extinguisher and fire hydrant inside the media center at the fourth floor of the international passenger terminal were never inspected for at least seven years until yesterday.

Fire inspectors surprised reporters, many of whom noticed that even the water sprinklers located on the ceiling are already missing.

The hose of the fire hydrant inside the media center was also found to be missing while the fire extinguisher, manufactured in 1979, has yet to be replaced.

A NAIA source told reporters the valve supplying water to the various sprinklers still existing at the airport are no longer working. He said they are actually being rehabilitated as many of the pipes were clogged due to poor maintenance.

Many of the fire exits, on the other hand, were found to be locked up for security but not for safety reasons.

Officials from the Airline Operators Council (AOC) interviewed said they have been complaining about the airport's lack of emergency facilities for the past years.

An AOC official cited the 1990 earthquake in which passengers already at the boarding gate rushed down the tarmac. But this in other areas except those already at the arrival and departure lobby could not find any exit, he added. [sentence as received]

The situation, however, is worse now with the U.S. Federal Aviation Administration "interference," airport authorities locked up all the air bridges, the only source of exit from the pre-departure lounge to the tarmac, according to the AOC official.

"Stand in the middle of the lounge and try to find any emergency exit or even ordinary exit. You can't find any as they are all locked up. They compromised safety over security," the official said.

"I cannot even recall when a fire drill was conducted at the NAIA since its inauguration in 1982," an airport old timer said.

A check showed several fire extinguishers at the airport had safety gauges whose needles were below the green sign. This means that these are no longer operational, observers said.

Many of the airlines operating at the NAIA admitted they purchased their own fire extinguishers for their own safety.

Philippines: Senator Details Estimate of Marijuana Production

*BK1004104796 Manila PNA in English
0804 GMT 8 Apr 96*

[Received via Internet]

[FBIS Transcribed Text] Manila, April 7 (PNA) — Senator Ernesto Herrera said the Philippines, which is reputed to be the world's second biggest source of marijuana after Mexico, now produces an estimated \$1.4 billion (36 billion pesos) worth of the narcotic each year. Herrera said the estimate was made by the Dangerous Drugs Board (DDB), the country's lead narcotics control agency, based on latest field intelligence reports and the increasing amount of marijuana plants seized each year.

He said Philippine authorities confiscated and destroyed 29.65 million marijuana plants and seedlings last year. He said the record haul was seven times the total seizure in 1994. He attributed the big haul to a previous call by Drug Watch for a revamp of Philippine National Police Narcotics Command (Narcom) field officers who failed to creditably carry out eradication drives in their respective localities.

Thailand

Thai Cabinet Approves Extradition of Khun Sa Associate

*BK1004033896 Bangkok THE NATION in English
10 Apr 96 p A1*

[Report by Piyanat Siwalo]

[FBIS Transcribed Text] The Cabinet yesterday approved a request by the Foreign Ministry to extradite one of Khun Sa's leading lieutenants to the United States.

The ministry told the Cabinet meeting yesterday that Chao Fu-sheng, also known as Sombun Khamdaeng and Wicha Suthiphan, had submitted a written request for his extradition to be ratified "at the earliest" so that he could stand trial in the US. He was arrested in November 1994 along with nine of Khun Sa's men.

The US had asked Thailand to help arrest and extradite 20 of Khun Sa's top aides who were believed to have lived and travelled extensively within the Kingdom. Washington had secured indictment warrants from the eastern district court of New York for the group. Under the code name "Operation Tiger Trap", American and Thai law enforcers arrested Chao, who was alleged to be a sales representative for Khun Sa's drug network and a procurer of refining chemicals, and nine others in

separate raids in Chiang Mai, Chiang Rai, Mae Hong Son and Bangkok.

Although Washington has argued that all the 10 suspects were Sino-Burmese, eight of the group were found to be either Thai or to have obtained Thai nationality. The government has now left the decision on their identity and extradition to the courts.

The Foreign Ministry said yesterday that it wanted the Cabinet to drop charges against Chao and extradite him to stand trial in the US through a bureaucracy-shortening process in the 1983 Thai-US Extradition Treaty. It said the US Embassy had secured a written note from Chao that he wanted Thailand to send him to the US under Article 15 of the treaty. The Thai Police later confirmed Chao's desire to be extradited "at the earliest".

The Foreign Ministry said it needed Cabinet approval before it could ask prosecutors to drop charges against Chao.

The ministry said the Office of the Attorney General had supported its request to the Cabinet. It added that the attorney general agreed to drop charges if Cabinet approval was granted. Deputy government spokesman Amnat Chanawong said after the Cabinet meeting that the government had approved the Foreign Ministry's request to extradite Chao under Article 15 of the 1983 Thai-US Extradition Treaty.

According to drug suppression authorities the other nine suspects are Na Tsai-Kuei, a wholesale heroin broker and refinery manager; Kuo Fa-mou, finance specialist; Liu Feng-te, Khun Sa's chief representative in Mae Hong Son and his deputy Chang Te-tsai; Lo Te-ming, logistics manager and one of Khun Sa's most trusted men; Michai Pathumani, logistics; Kao Chang-ping, drug sales representative; Ho Ming-te, refinery manager; and Chali Yangwirikun, who was Khun Sa's right hand man for many years.

Thai Police View Case Against Japanese Red Army Suspect

BK1104024496 Bangkok BANGKOK POST
in English 11 Apr 96 p 3

[Unattributed report]

[FBIS Transcribed Text] Police are conducting another investigation to substantiate charges of counterfeiting against a Japanese Red Army member.

Yoshimi Tanaka, 47, was arrested in Cambodia last month for alleged involvement in circulating fake United States banknotes in Phatthaya last September.

Mr Tanaka was later sent to Phatthaya police for questioning.

Japanese police suspect Mr Tanaka was one of seven members of the Red Army who hijacked a Japan Airlines jet to North Korea in 1970.

Police Chief Phot Bunyachinda said yesterday investigators had concluded there were grounds for the charge against Mr Tanaka. However, the prosecution needed more substantial evidence against the suspect and ordered an additional probe.

Pol Gen [Police General] Pote declined to say when the case would go to court.

He also could not tell whether Mr Tanaka would be extradited to Japan or not.

Thailand: Iraq Proposes Purchasing \$100 Million Worth of Thai Rice

BK1004113396 Bangkok KRUNGTHEP THURAKIT
in Thai 10 Apr 96 p 10

[Unattributed report]

[FBIS Translated Excerpt] Iraq has proposed purchasing 250,000 metric tons of rice, worth \$100 million, from Thailand once the United Nations partly lifts its sanctions on Iraq. The Rice Policy Committee has instructed the Commerce Ministry to send officials to seek out more foreign markets for the second crop rice.

In his capacity as chief of the Trade Negotiation Delegation of the Commerce Ministry, Nawarat Suwan, deputy permanent secretary of the Commerce Ministry, went on a mission last month to find more markets for Thai rice. Upon his return, he said that the Iraqi Government had asked to buy 250,000 metric tons of 15-percent rice, worth \$100 million, from Thailand. Iraq has asked for a one-year credit of \$50 million from the Thai Government for the rice deal. It would pay the remaining \$50 million in cash. He said he would forward Iraq's request to the Rice Policy Committee, led by Deputy Prime Minister Annuai Wirawan, on 10 April for consideration.

The Iraqi Government earned money after the United Nations allowed it to sell oil, worth \$2,000 million, for use in public utilities under the "Oil for Food" program.

Representatives from the Foreign Trade Department will visit several countries to explore more markets for Thai rice at the instruction of the Rice Policy Committee.

He thought that Iraq might want to trade its oil for Thai rice; however, there is a problem for the countertrade between oil and rice, as Iraq's oil sale is under controlled by the UN. [passage omitted]

Thai Editorial Urges Moratorium on Logging in Cambodia

BK1104063296 Bangkok *THE NATION* in English
11 Apr 96 p A4

[Editorial: "Cambodia Must Call for Moratorium on Logging"]

[FBIS Transcribed Text] The flight from Bangkok to Phnom Penh is a short and a not particularly spectacular one. A 45 min hop across the eastern provinces of Thailand, over the Cardamon mountains and then a quick descent to the Cambodian capital.

When viewed as a study in comparative development, however, it is quite dramatic. Soon after taking off from Bangkok the effects of Thailand's industrialization are laid out before you.

Rows of white-walled city villas, followed by large industrial projects which eventually give away to the perfect symmetry of fields under the till of intensive agriculture. The first real signs that you have crossed the border are the lack of any such development, of any hint of human activity at all and of the abundance of green trees.

Leaked documents

While not all of Cambodia offers such vistas from 30,000 feet, at least 40 per cent of the country is still covered with essentially virgin forest, most notably in the northwest and southeast. In comparison to other Asian countries, Cambodia's tree cover is enviably high but how much longer this remains to be the case is a point of international concern.

In 1992, before large-scale logging began, it was estimated that Cambodia had 10.3 million hectares of forest cover. That has rapidly declined to 6.5 million hectares.

In December, a London-based environmental group said it had obtained leaked Cambodian government documents which outlined plan to log almost all of what was left — an massive 6.3 million hectares, or one third of the country's total land mass.

The government at first denied it had covertly awarded the concessions but officials have since come out in defence of the deals, saying the logging will be carried out in a sustainable fashion.

Phnom Penh has been less than specific on how it intends to ensure the foreign concession holders, many with questionable records in their home countries, will abide by the terms and environmental guidelines. Peace may have returned to Cambodia but it still essentially a lawless country and no one honestly believes the

authorities in Phnom Penh will be able to effectively police areas in the far reaches of the country.

Activists fear that should such huge areas be carelessly logged, the result would be an environmental catastrophe on an unprecedented scale. They forecast large swathes of the country would be turned into desert and the country left to languish as a beggar nation.

Even in the driest economic terms the deals make little sense. The United Nations and World Bank have both slammed the terms of the concessions which they estimate will return only one fifth of the true value of the timber.

Last Friday, Cambodia's two prime ministers were again fending off charges of environmental mismanagement after a British NGO [nongovernmental organization], Global Witness, charged they were involved in secret negotiations to fell and ship logs to Thailand — a clear violation of a ban on the export of unprocessed timber.

Infuriated by the charges, First Prime Minister Norodom Ranariddh angrily denied any new trees would be cut down. But if the general public and international community suspect something is amiss, then Phnom Penh's two leaders have only themselves to blame.

The awarding of the concessions was done in a disturbingly nontransparent manner. They were handed out with no public consultation, no parliamentary debate and apparently little serious study.

Prudent policies

As a neighbouring country, and the corridor for most of the timber flowing out of Cambodia, Thailand can play an important part in seeing that prudent environmental policies are adopted in Cambodia.

Cambodia's leaders need to be shown how vitally important it is to protect their country's environmental heritage, not just for their country's future well being but Thailand's as well. Thailand shares not only a common border with Cambodia but also the same environment.

As such, it will ultimately face the same environmental consequences. To date, however, Thailand's leaders seem more interested in facilitating quiet deals with Phnom Penh to get access to Cambodian timber.

Ideally, Cambodia should call for a moratorium on logging and make a full inventory of its forest resources. The government should then come up with a sustainable logging policy that draws on the extensive international knowledge and assistance it has at its disposal.

To do otherwise is to risk the wrath of nature spurned. Instead of being the lungs of Asia, Cambodia may simply become its dust-bowl.

Thai Prime Minister's Actions in Foreign Affairs Viewed

*BK1104065396 Bangkok Thailand TIMES in English
11 Apr 96 p A4*

[Editorial: "The Premier Has Gone International"]

[FBIS Transcribed Text] Politics is full of ironies and contradictions. The most unlikely phenomena turn out more often than what is expected by the general public who lives in the world of common sense. When Banhan Sinlapa-acha became Prime Minister, what was of great concern was that he would not perform comfortably in functions which are international in nature such as international conferences. But, he has performed to the contrary of expectation.

In a sense, it is ironic that the most locally-oriented Prime Minister, if not parochial, has so far been involved in a great number of international events. It is interesting to note that most of the international events which he has attended, is part of the legacy of the previous government. Banhan Sinlapa-acha has just reaped the benefits and taken all the credit which otherwise would have gone to those who initiated the international programs which taking place under the new Banhan government.

Take for example, the World Tech Exhibition. The event was planned before Banhan came to power but it took place in the period just after Banhan was sworn in. The SEA [Southeast Asia] Games was another event putting Banhan squarely in the political spotlight. Planning for the event was long underway before Banhan took the premiership.

Then came the ASEAN Summit. Again, Banhan had the fortune to rub shoulders with leaders of the ASEAN nations who were strangers to him before he took the top executive post. That event earned him for the first time, the status as a leader of international stature, as exaggerated as the case may be. But a fair-minded person would argue that despite his limitations, he performed acceptably well. Adding to his international stature was the opportunity accorded him when he chaired a session at the United Nations. At that event, many of his admirers must have kept their fingers crossed for fear that he might have fumbled. But again the lucky country-boy turned international celebrity sailed through, although not with any fanfare.

The most important international event was the history making ASEM [Asia-Europe Meeting] Meeting which Thailand hosted. This was the first large scale Asia-Europe meeting in the history of mankind. The event went smoothly and should be hailed as a success. The glory of Banhan was being viewed by a certain member

of the Opposition with an envious eye. After all, it was he and his colleagues who came up with the idea and initiated the meeting only to have it stolen front of their very eyes by a late-comer. This is an irony that could be dubbed as injustice by some.

Visits made by Banhan to the Philippines, Vietnam, Myanmar [Burma] and China where he had attempted to introduce himself to the international scene helped add to his international recognition. Two elements of the visits, fostering better relations and negotiations on issues which needed to be settled, allowed Banhan to give the impression to his friends and foes alike that he was able to live up to the standards of a leader, not only domestically but also in the international arena. It is expected that he will make certain that visits to other countries will appear on the agenda in the future.

Whatever the moans and groans lamented by Banhan's adversaries, the fact remains that this self-made country-boy Prime Minister has now gone international. Whether you like it or not, the fact also remains that so far the bumpkin has excelled unexpectedly as a leader who hardly speaks a foreign tongue fluently, but has scored high marks in his role as a leader who can more or less perform in the international arena even with the limitations of his educational background. Thus, much to the surprise of many, the man has passed the test when he was taken to task, at least for the first few rounds. But what the future will hold for him and this country could be a different matter.

Thai Premier Denies Plan To Disband Drug Probe Unit [THE NATION 10 Apr]

*BK1004053596 Bangkok THE NATION in English
10 Apr 96 p A6*

[Report by Pharit Iamphongphaibun]

[FBIS Transcribed Text] Prime Minister Banhan Sinlapa-acha yesterday dismissed reports that he planned to dismantle the Commission of Inquiry, saying that the body will conclude its findings by the end of this month.

Banhan, speaking to a news conference after a Cabinet meeting, made the statement in a bid to allay fears by members of the panel that he wanted to disband it.

The Commission of Inquiry was appointed by the premier to investigate claims from US authority's that two Thai politicians, Narong Wongwan and Waithana Atsawahem, had links to drug traffickers.

Members of the panel, formerly headed by former diplomat and politician Thanat Khoman, have been complaining about a lack of progress because it had not had a chairman since Thanat resigned.

"I'll not disband the panel because the vice-chairman can act in his (Thanat's) place. The panel is also considering submitting its finding to me because evidence from all other sources has become available. The panel could probably conclude its findings by the end of this month," Banhan said.

The only designated positions in the panel were given to Thanat and Pricha Champarat as chairman and secretary-general respectively, observers said.

Panel spokesman Prasit Khowilaikun said yesterday that Banhan had never designated who would function as vice-chairman.

In practice, the most senior member of the panel is the one who should preside over at a meeting in the absence of a chairman.

The members ranked by order of seniority are MR [Mom Ratchawong — royal title] Thep Thewakun, the permanent secretary for foreign affairs, Charan Kunlanit, the secretary-general of Security Council and Pol Gen [Police General] Chawalit Yotmani, the former secretary-general of the Office of the Narcotics Control Board. Chawalit, however, has threatened to resign from the panel if he has to preside over a meeting.

Prasit played down the threat saying: "He (Chawalit Yotmani) would not do that because presiding over a panel meeting involves going through subcommittee's findings, not functioning as chairman of a panel probing into facts."

He said no date has been set for the next meeting.

Thai Minister To Promote Investment During SRV Visit

*BK1104065596 Bangkok BANGKOK POST
in English 11 Apr 96 p 3*

[Unattributed report]

[FBIS Transcribed Text] Promotion of long-term Thai investment tops the agenda of Foreign Minister Kasemsamson Kasemsi's official visit to Vietnam starting next week.

His delegation will comprise senior officials and key businessmen, including those interested in developing Haiphong deep-sea port in northern Vietnam.

M.R. [Mom Ratchawong — royal title] Kasemsamson said yesterday he would emphasise cooperation in investment rather than fisheries when he meets his Vietnamese counterpart Nhuyen Manh Cam and Vietnamese officials.

Fisheries remain a thorny issue between Thailand and Vietnam mainly because Thai fishermen encroach on

Vietnamese waters. The two countries have also yet to settle overlapping maritime borders.

M.R. Kasemsamson reiterated that he supported investment which benefits not only Thai businessmen, but also the host country. He said the period of Thai business adventurers "coming at night and disappearing in the morning" was over.

"We have to do business in a new way with Burma, Cambodia, Laos and Vietnam in the form of joint ventures which will yield mutual benefit," he stressed. He said he strongly advocated business deals which are not exploitative.

M.R. Kasemsamson's visit to Vietnam during April 15-18, as guest of his counterpart, completes his official tour of Thailand's Indochinese neighbours from the time he took office last year.

During his four-day stay, he is to visit Haiphong and Ho Chi Minh City.

He is also scheduled to meet with Minister of Planning and Investment Do Quoc Sam to discuss Thai investments.

Thailand ranks 13th among foreign investors in Vietnam with 57 projects worth US\$468 million as of January this year. M.R. Kasemsamson is also to tour the Dinh Vu industrial zone, a joint investment between Thailand's Asian Infrastructure Development, the United States' American International Group and Belgium's International Port Engineering Management.

The Thai company is an affiliate of Ban Chang Group, whose board M.R. Kasemsamson chaired before taking his ministerial post.

His tentative schedule in Ho Chi Minh City includes talks with the People's Committee to promote business relations and meetings with Thai businessmen stationed in the city.

Thailand: 'Party Politics' in Foreign Policy Lamented

*BK1004113696 Bangkok THE NATION in English
10 Apr 96 p A4*

[Article by Kawi Chongkittawon: "Foreign Policy Not A One-Party Affair"]

[FBIS Transcribed Text] Never before has party politics become so mixed up in Thailand's foreign policy that it is turning the so-called centre of gravity of Southeast Asia into the region's laughing stock.

When the Nam Thai Party, or some would prefer "Numb Thai", picked MR [Mom Ratchawong — royal

title) Kasemsamoson Kasemsi, the party's non-elected leading member, to become Thailand's seventh foreign minister in five years, the public perceived the party as having done a favour to the country.

But then the whole situation quickly turned sour. After more than nine months, Nam Thai still cannot come to terms with its own choice of foreign minister.

Party members have attacked Kasem incessantly, even though party leader Amnuai Wirawan keeps saying that the former diplomat was the best and most suitable candidate.

When a new government is being formed, it is normal for coalition parties to test their clout by wrangling with each other in trying to secure choice ministerial posts. But Nam Thai's bickering over Kasem looks childish and has gone on far too long.

Certainly, the public should not be concerned with Nam Thai's internal quarrels so long as they do not affect the country's foreign affairs policies and stain its reputation. However, the continued criticism of Kasemsamoson by party members, which focus exclusively on his non-elected status, may be hampering his and his staff's ability to oversee their respective responsibilities at the Foreign Ministry.

It is hard to believe that a country that prides itself on its conduct of foreign policy would allow something like this to drag on. How on earth can a foreign minister perform his role and speak for the country when he is pressed to comment by the press on his fate rather than the fate of the nation?

It does not matter whether Kasemsamoson is foreign minister or not. At issue here is whether any foreign minister must be given full support if he is selected on good faith as based on his qualifications. Amnuai, with his credentials and international credibility, should understand this better than anyone else. He must act quickly.

If he fails to settle this issue, more and more people from his party will be following the footsteps of MR Sukhumphan Pariphat, who became the first prominent member to go.

To be fair, Nam Thai is not the only party to be blamed. In fact, Prime Minister Banhan Sinlapa-acha should be held responsible for the simple reason that he has used international events to increase his popularity at home while his foreign minister has been relegated to the sidelines.

Somehow, the prime minister must understand that foreign policy should be part of his priorities. Just

because he chaired two summits doesn't mean that diplomacy will be confined to that alone.

If Banhan is serious about shoring up the country's image in terms of how it values foreign policy, he can, for a change, put an end to this nonsense. As leader of the majority party, Banhan can always show his support for Kasemsamoson or any other candidate deemed qualified and suitable.

The people should be reminded that not everyone, including elected politicians, can handle foreign affairs. It is a highly specialized field in which experience is an important factor.

The process used in choosing a foreign minister should not, therefore, be subject to party politics as exemplified by Nam Thai. Politicians must be reminded that national interest is at stake here.

It is one thing to allow politicians to examine the country's foreign affairs policy and tell a foreign minister to ensure a pragmatic and correct approach. (In a democratic system, that is the right thing to do). But it is another to have politicians constantly harassing the foreign minister, consequently stifling his initiatives and negating his achievements.

Certainly, it would be ideal to have able MPs who can handle foreign relations. It might even be better if an elected career diplomat is allowed to do it. Because of the lack of capable persons in this field, the country has relied on career diplomats, who possess qualifications that MPs often lack. There are not too many non-diplomats such as MP Surin Phitsuwon, who served as vice foreign minister in the Chuan government, who have had training in international relations.

With the exceptions of Sithi Sawetsila and Asa Sarasin, Thailand has not recently had a foreign minister with impressive credentials.

It seems minority parties in coalition governments have transformed the Saranrom Palace into a laboratory where the abilities of their elected members are tested. The backgrounds of Thailand's former foreign ministers are interesting: people have seen a rice trader, an egg salesman, an unknown writer, a war-monger and a doctor assume the top post in the foreign ministry.

In the past five years, Thailand's foreign policy has been a patchwork of various personalities and inclinations that come and go with the domestic political swings, without any long-term vision.

Worse, some came with their own personal agendas. So funny things happened during their brief stints. Some promoted their children, in-laws or relatives, to high

positions, while some chose to have their children tag along during official visits to help with the secretarial work.

In an age when the public is expecting more from Thailand's international stature political parties still seem to be living in the dinosaur age as far as foreign affairs are concerned. Foreign policy has been held hostage by domestic political games, opening an avenue for further exploitation by outsiders.

Looking back over the past five years, has Thailand achieved anything concrete when it comes to foreign policy objectives? In fact, Thailand is fast losing out to its neighbours in this regard.

Banhan and Amnuai, who have benefitted tremendously from Thailand's foreign policy, should act now and put Thailand back in its proper position.

Thai Defense Minister Seeks Satellite Project Answer

BK1004035096 Bangkok THE NATION in English 10 Apr 96 p A3

[Unattributed report]

[FBIS Transcribed Text] Defence Minister Chawalit Yongchaiyut yesterday renewed his call for the Cabinet to approve the go-ahead for the Defence Ministry's Bt [baht] 26-billion Star of Siam defence satellite project.

Chawalit, concurrently deputy prime minister, said the Cabinet should have given a "yes or no" answer because he had proposed the plan for the last three months.

"In the proposal, I just ask whether the project should go on or not. I think the answer should be easy — yes or no," Chawalit said.

"But I don't see any reason for saying no, because the project is stated in the government's platform."

Chawalit attributed the delay to the Cabinet Secretariat.

"I don't know when the project will be put on the Cabinet agenda, depending on (the procedures) of the Cabinet Secretariat," the New Aspiration Party leader said.

Cabinet Secretary-General Witsanu Krua-ngam has said he was awaiting opinions of the Budget Bureau and Finance Ministry before compiling views of all government agencies concerned. The matter would then be passed on to the Cabinet, which could occur next week.

"The Communications Ministry has said it does not object to the project. Everybody would like to have satellites. We would like to have our own satellites. We will have to pay a little money, but we will receive a lot of benefit," the defence minister said.

Chawalit on Monday asked reporters and critics to stop blaming the military's arms spending for being the cause of the current account deficit.

"Arms acquisitions are an internal affair of the military. Outsiders stay away. It's not right for them to get involved," Chawalit said on Monday.

Observers said Chawalit's statement was intended to send a message to Prime Minister Banhan Sinlapa-acha not to stand in the way of the military's projects.

Thai Paper Questions Value of Military Satellite Project

BK1104020596 Bangkok DAILY NEWS in Thai 8 Apr 96 p 3

[Commentary by "Political News Team": "Is It Worth It For the Military To Have Its Own Satellite?"]

[FBIS Translated Excerpt] [passage omitted] The satellite that the Thai military wants to buy for its own use will be in the low earth orbit, circling the earth at the altitude of less than 700 km. Such a satellite can only provide communications. It cannot perform photographic missions as it will be too high above the earth.

In case the Thai military wants to acquire a satellite solely for communications purposes, the question is: Can't a commercial satellite accomplish the same purpose? A number of geostationary satellites — Palapa, Thaicom I and II, Asiasat, Apstar, Measat, GC Sat of Japan, and some time later the Thaicom III — already have footprints that cover Thailand. Due to the number of satellites in the vicinity, a new one will run into an orbital slot problem. A new slot will have to be requested from the International Telecommunications Union because the 78.5 and 101 degree positions assigned to Thailand are already in use. Negotiations will have to be made with operators of nearby satellite on interference problems. In term of feasibility, due to constant price cutting among satellite operators, it would be cheaper for the military to lease transponders from existing satellites than to launch its own satellite.

In any event, the issue the government is concerned a great deal with is the high price of the military satellites compared to other satellites. For example, the two Thaicom satellites built by Hughes and their ground station cost only 5 billion baht. The military plans to hire Hughes to build its three satellites, whose model is not that much different from the Thaicom, at some 28 billion baht. The military will have to explain the high price when the satellites can only be used for communications.

If the military claims that military satellites have better security capabilities, such a claim is untrue. Military and

commercial satellites used in communications are no different as far as security is concerned. The company that supplies security equipment, no matter how special, also has the same equipment at its disposal. In fact, security has nothing to do with the satellites themselves but concerns a digital encryption technique used in satellite communication. Highly efficient encryption systems can now be obtained for only 20-30 million baht. If codes are changed every four seconds, it is impossible to listen to any military secrets.

The question that follows is: Does the Defense Ministry want to use the people's tax money to buy a satellite whose purpose is questionable? Shouldn't the same amount be used more constructively to replace outdated weapons and strengthen troop morale? Though the sum proposed for the satellites is to be obtained from economizing other defense projects, the source of funds is still the people's tax.

Thai Premier Downplays Military Purchases Conflict

*BK1004042296 Bangkok Thailand TIMES in English
10 Apr 96 p A1*

[Unattributed report]

[FBIS Transcribed Text] Bangkok — Prime Minister Banhan Sinlapa-acha yesterday tried to play down a growing conflict between the armed forces and the government over the forces' arms purchase plans.

"There are no problems at all between the government and the military," he said, adding the government was committed to national security.

Banhan recently requested the military to review its planned multi-billion-baht shopping spree. That drew a storm of criticism from military top brass, including Monday's angry warning from Defense Minister Chawalit Yongchaiyut to the government to keep its nose out of military affairs.

However, Banhan yesterday insisted there had been a simple misunderstanding, and he did not mean to criticize the forces.

"It was just an informal chat over a meal. I didn't really want to stir things up," he said.

Banhan claimed he had already cleared the air with Chawalit and Supreme Commander Wirot Saengsanit.

"We have come to a good understanding," he said.

Chawalit has said the 6.99 percent of the total national budget allotted to the military this year was very low. However, Thailand still regularly manages to spend more than any other nation in the region on defense.

The 26-billion-baht Star of Siam military communications satellite is just one of the buys the armed forces intend to make before the end of the century in a drive to update the national arsenal. Others include submarines, tanks, assault rifles, and jet fighters, all from abroad.

Academics have said the military plan is likely to aggravate the current account deficit, though Chawalit Monday said it would have the opposite effect.

Chawalit said the Defense Ministry put the Star of Siam proposal before the Cabinet three months ago, but it had still not been discussed at a Cabinet meeting.

Last month Deputy Prime Minister Thaksin Chinnawat publicly slammed the proposal as extravagant, kicking off a public slanging match with the defense minister. Chawalit accused Thaksin of putting his own business interests before national security. The Army yesterday distributed a copy of an article by Col Chongsak Phanitchakun, better known as Lt-Col Thatthiam Yiamnakhon, at Government House. The article denies the current account deficit is the fault of the military.

Thailand: Arms Purchases, Roads Blamed for Current Deficit

*BK1104100596 Bangkok MATICHON in Thai
8 Apr 96 p 2*

[Unattributed Commentary: "Arms Purchases and Road Construction — Major Causes of the 335 Billion Baht Current Account Deficit"]

[FBIS Translated Excerpt] The 335 billion baht current account deficit, or 8.1 percent of the GDP, is a frightening figure. It causes one to wonder if Thailand will have to solve the problem following in the footsteps of Mexico by devaluing its currency. If we do not want Thailand to return to the awry situation of 1984 when it had to devalue its currency, it is time for us to pay attention and be ready to make some sacrifices. [passage omitted]

Let us look into arms purchases, which is now being intensely debated. The armed forces say arms purchases are necessary for defense readiness, which is not untrue, as no one knows when war might erupt. Therefore, combat readiness and arms modernization to keep pace with other countries have become a necessity.

The Defense Ministry gets some 70 billion baht from the 1995 national budget for its arms purchase program. Most of this are in the form of budget commitments in the years 1995-98. In the program, 1.777 billion baht are for M-60A3 tanks for the Army, 1.567 billion baht for the Navy's helicopter carriers, 18 billion baht for F/A18-C and F/A18-D multipurpose fighters, 5.918

billion baht for an early air warning system, 15 billion baht for submarines, 4 billion baht for the replacement of 200,000 standard issue rifles, 3.3 billion baht for a frigate, and 4 billion baht for antisubmarine helicopters and sea attack planes. There is also the military 26-billion baht satellite project which the cabinet has not deliberated.

All of the above weapons appear to be modern and necessary to have. However, with the unstable economy and rising inflation, we will leave it to the armed forces to decide how urgently we need those weapons to ensure our defense readiness.

The 1977 budget, which is balanced, received cabinet approval last week, and shows alarming spending. The salaries of the bureaucracy amount to 537,189 million baht, or 54.8 percent of the overall expenditure. However, loan repayments, which any country should make as much as possible in the interest of the future, account for only 24,496 million baht, or 2.5 percent of the budget. Most importantly, the investment budget has increased to 417,313 billion baht, or 42.6 percent of the budget.

Although the government has tried to stress the importance of investment in infrastructure development, it is worth noting that most of the 400,000 million baht investment go toward building roads to tackle the traffic problem. This makes one to wonder if Thailand has such a serious traffic problem that such a large percentage of the national budget needs to be allocated to solve it.

In reality, the allocation of funds for infrastructure should be spread out and should emphasize projects that are feasible and beneficial. Infrastructure projects should not be embarked on simply to make a name for oneself, with possible obstacles that could delay their completion simply ignored.

Thai Military Spending Amidst Rural Poverty Questioned

BK1004123296 Bangkok MATICHON in Thai 10 Apr 96

[FBIS Summary] Bangkok's Thai-language daily MATICHON on 10 April carries an editorial and a column commenting on the planned purchase of weapons and equipment for the modernization of the Thai armed forces.

The 450-word editorial, on page 20, entitled: "Military Budget, National Budget," notes: "Politicians should refrain from interfering in internal affairs, such as the periodic military reshuffle of the armed forces; otherwise, military personnel will be lobbying with the former for promotions, which is a common practice

among civilian employees of the government. As a matter of fact, politicians themselves are normally reluctant to meddle with the affairs of the three armed forces."

The editorial continues: "This rule, however, should not be applied to any issue that can affect the interests of the people and country as a whole. For this reason, the military should be broad-minded enough to listen to opinions from others who might disagree with them. Anything that involves the entire nation is certainly not merely an internal affair of the military. The budget for arms purchases and military satellite project are examples.

"The huge amount of money slated for arms purchases and the satellite project involve the national budget. Military spending is a big issue, which can affect the country's financial and monetary stability. It can also cause financial and economic disasters as in Latin America and, before, behind the iron curtain."

The paper stresses: "It is absolutely necessary for all of us to join hands to prevent our country from being plunged into such a dilemma. Although the current account deficit Thailand is facing can now be attributed to the country's continuous economic growth and the undisciplined promotion of consumerism over the past several years, the problem, if left unattended and allowed to prolong, might lead to the severe depreciation of the Baht."

The editorial concludes by saying: "To avoid the risk, something should be done as quickly as possible. After several years of lavishing spending, all agencies, not only the military, are urged to curb their spending. We must take serious measures to tackle the current account deficit problem. This request is addressed to the private sectors, as well as every individual Thai citizen, because it is the duty of us all to serve the country."

"MATICHON's Bus Stop" Column on page 3, entitled: "Chiu [alias of General Chawalit Yongchaiyut] Presses for 70 Billion for Purchases of War Weapons and Equipment To Help the Government 'Fight' Poverty," quotes Defense Minister General Chawalit Yongchaiyut as saying during an interview that "the annual budget of the government is as high as 400 billion baht. A few billion for the armed forces is too little." It cites a study conducted by Dr. Suraphong Limthanakun, deputy rector of Krungthep University on the planned purchase of weapons, submarines, jet fighters, and other heavy equipment for the three armed forces over the next five years.

The columns says: "We all know full well that the most severe problem facing our country at this moment is

poverty in the rural areas. This poverty has already sent out social, economic, political, and cultural adversities."

"Our country must fight an urgent war against poverty in the rural areas. The strategy to win this war should incorporate the fair distribution of income and development of rural areas."

The column notes: "General Chawalit said that the arms purchases would not cause a deficit problem."

"Let us look at the matter from a different angle. If we do counter trade, which is not for military purpose, our goods worth 74 billion can be bartered for something else that could be useful and bring prosperity to the rural areas. The Commerce Ministry can also import modern agroindustrial technology, which can be used to generate jobs for the rural people. We believe that 74 billion baht would certainly help our farmers."

The column concludes: "Since everybody agrees that the distribution of income to rural areas is the top priority for the country, General Chawalit Yongchaiyut, who has been striving for the premiership, should tell us clearly how spending 74 billion baht for arms purchases can help conquer poverty in our country."

Thailand: Controversy Seen Over Military Equipment Purchases

BK1004044296 Bangkok THE NATION in English
10 Apr 96 p A4

[Editorial: "Weapons Purchases Require Transparency"]

[FBIS Transcribed Text] The government's move to have the armed forces prioritize their purchases of weapons is most welcome. With the end of the Cold War, there is a need for the Thai armed forces to be sensitive to strategic security changes in the region involving other countries. No longer is there a so-called "common enemy" and conflicts, if they do occur, now tend to emanate from within the region rather than outside.

Arms purchases and the resulting change in the strategic balance of forces have to be seen in a broader perspective. It is rather narrow-minded to just view the huge sums of money spent on weapons as adding to the country's current account deficit woes — as stressed by some academics, technocrats and politicians. There is a larger picture ahead that needs to be understood, including a possible growing conflict within the military and two major political parties in the coalition government.

New Aspiration Party leader and Defence Minister Chawalit Yongchaiyut's policy of modernizing the armed forces is, according to him, necessary because they are still structured on World War II models. This

is partly why he has pushed hard to get the military satellite project off the ground because the technology would propel the Thai military into the forefront of regional intelligence gathering capability.

The defence minister has also pledged to keep arms spending at less than 2.1 per cent of the GDP. He plans to have all major arms purchases executed under the counter-trading scheme and to have arms manufacturers set up some production facilities in Thailand in order to enhance technology transfer. The counter-trading, he stressed, would help the country tackle the deteriorating current account deficit.

But Chawalit must go further if he is to be successful in modernizing the armed forces as well as preventing excessive misunderstanding and the politicization of military spending. Counter-trade may mean less foreign exchange spent but that does not mean that the budget is lessened.

Greater transparency must be ensured to win the public's understanding and support for the modernization of the armed forces. The release of information on the planned purchases of a satellite system and submarines is a step forward.

However, there are many more purchase plans in the pipeline. Public debates based on accurate information do not mean politicization and the military will win the people's confidence if the latter realize that their tax money is well spent.

Public support will be forthcoming if they have better information on the modernization plan of the armed forces. Investments in satellites, F-18 jet fighters and tanks are part of the modernization process, but what do they replace? Do they lead to a smaller number of personnel, less spending on conventional equipment and a reduction in waste? Relocations of military bases are also vital when considering costs.

These should all be made public without compromising security and confidentiality.

One of the security problems the country will face in the coming years is how to prevent border conflicts from being blown up into international issues instead of being classified as petty isolated disputes. The armed forces have been instrumental so far in helping to defuse these conflicts, especially with Burma. But modernization should not be confined only to arms and ways of restructuring personnel. The military must also exercise transparency in diplomacy.

The government should get away from rubber-stamping military purchases as in the past where they led only to the accumulation of misinformation and suspicion

among the public. Military and civilian dialogues require professionalism and rational thinking on both sides. But this is a learning process requiring an open mind and a co-operative attitude that both sides must possess if they want to achieve their objectives.

The post-Cold War era has seen countries increasing their spending on human resources. Some have made it their priority. Chawalit has said that it would be a pity if there was a regional dispute that led to disruption in regional economic growth. This is the reality of the world, and growing military domination in the internal politics of Indonesia and Burma should not cloud this trend or be used as an excuse.

Therefore, Chawalit and Prime Minister Banhan Sinlapa-acha, leader of the Chat Thai Party, should not send confusing signals to the people on arms purchases.

Thailand: Two Charged in Southern District Railway Bombing

BK0804053196 Bangkok THE SUNDAY POST in English 7 Apr 96 p 3

[Unattributed report]

[FBIS Transcribed Text] Yala — Two men were yesterday charged with involvement in the bombing of a railway track in Muang District.

The two, identified by local police as Masudi or Rusdi Wani, 26, and 30 year-old Duroning Samoa, have denied the charges.

Police allege the men are part of a six-person gang believed to be responsible for the attack.

On January 30 an explosion slightly damaged the railway track when the Nakhon Si Thammarat-Sungai Kolok train No. 131 reached Tambon Yupo in Muang District.

There were no deaths or injuries.

Police found a flash light, two pounds of explosives and a letter claiming the Pattani United Liberation Organisation was responsible for the attack at the scene.

Police said they are still looking for four men.

Vietnam

SRV Foreign Minister, Ukrainian Counterpart Hold Talks

BK1104100396 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 9 Apr 96

[FBIS Translated Text] Foreign Minister Nguyen Manh Cam received and held talks with Ukrainian Foreign Minister Udovenko at the Foreign Ministry on 9 April.

The Ukrainian foreign minister is a member of the Ukrainian Presidential delegation currently on an official friendship visit to Vietnam.

In an atmosphere of cordiality and mutual understanding, Foreign Minister Nguyen Manh Cam and his Ukrainian counterpart highly appraised the official visit to Vietnam by Ukrainian President Leonid Kuchma. They held that the traditional friendship and cooperation between Vietnam and Ukraine will certainly be consolidated and developed.

At the meeting, the two foreign ministers exchanged views on measures to strengthen cooperation and on international and regional issues of mutual concern.

Foreign Minister Udovenko highly appraised Vietnam's internal and external policies, welcomed Vietnam's full membership in ASEAN and its contributions to peace, cooperation, and development in Southeast Asia and the world.

Foreign Minister Nguyen Manh Cam expressed the hope that Ukraine, as a major country in Europe, will contribute appropriately to restoring peace and cooperation in Europe and the world. He welcomed Ukraine's efforts to strengthen friendship and cooperation with Southeast Asian countries in the interest of peace, stability, and prosperity of the region.

Foreign Ministers Nguyen Manh Cam and Udovenko stressed the importance in strengthening cooperation activities between the two nations in the United Nations framework at various international and regional fora, and cooperation between the two foreign ministries.

SRV: Trade Agreement With Cuba Signed in Havana 8 Apr

BK1004112996 Hanoi VNA in English 0639 GMT 10 Apr 96

[FBIS Transcribed Text] Hanoi VNA April 10 — An agreement on commercial exchange and modes of economic cooperation between Vietnam and Cuba was signed in Havana on April 8.

The signatories were Vietnamese Minister of Commerce Le Van Triet and Cuban Minister for Foreign Trade Ricardo Cabrisas Ruiz.

Earlier, talks were held between the two ministers who spoke of the economic and commercial situations in the two countries, and the disadvantages and advantages of economic development. The talks took place in an atmosphere of friendship and mutual understanding.

SRV: Joint Press Communique With Cambodia Released

BK1104065796 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 10 Apr 96

[Text of the Vietnam-Cambodia press communique released in Phnom Penh on 10 April on Prime Minister Vo Van Kiet's Cambodia visit]

[FBIS Translated Text] Vo Van Kiet, prime minister of the Government of the Socialist Republic of Vietnam [SRV], paid a visit to the Kingdom of Cambodia on 10 April 1996 at the invitation of First Prime Minister Norodom Ranariddh and Second Prime Minister Hun Sen of the Royal Government of Cambodia [RGC]. Accompanying Prime Minister Vo Van Kiet were Foreign Minister Nguyen Manh Cam, co-chairman of the Vietnam-Cambodia Inter-Governmental Commission for Economic, Cultural, and Scientific-Technological Cooperation, and many high-ranking officials of the ministries and sectors concerned.

During his stay in Cambodia, Prime Minister Vo Van Kiet had an audience with Cambodia's King Norodom Sihanouk and a cordial meeting with His Excellency Chea Sim, chairman of the Cambodian National Assembly.

The Cambodian king warmly welcomed Prime Minister Vo Van Kiet's visit to the Kingdom of Cambodia and highly valued the results of the meeting between Prime Minister Vo Van Kiet and the two RGC prime ministers. The meeting has contributed to promoting mutual understanding and bilateral cooperation.

Prime Minister Vo Van Kiet graciously conveyed the regards of General Secretary Do Muoi and President Le Duc Anh to the Cambodian king and their best wishes for his good health and longevity so that he may continue to lead the Cambodian people in successfully turning the Kingdom of Cambodia into a peaceful, independent, neutral, nonaligned, and prosperous nation with friendly relations with all countries.

Prime Minister Vo Van Kiet expressed the profound gratitude of the Vietnamese Government and people to the Cambodian king for his wholehearted assistance to and profound sentiments toward the Vietnamese people in the past and at present. He expressed the desire of the Vietnamese leaders and people to meet King Norodom Sihanouk and Queen Monineat Sihanouk during their Vietnam visit scheduled for December 1996 and their participation in the francophone summit meeting to be held in Hanoi in 1997.

Prime Minister Vo Van Kiet held talks with First Prime Minister Norodom Ranariddh and Second Prime Minister Hun Sen in an atmosphere of friendship, mutual un-

derstanding, cooperation, and good neighborliness. The two sides reviewed bilateral ties, exchanged views on practical measures to further promote their multifaceted cooperation, and discussed regional and international issues of common concern. The two sides noted with pleasure the fine developments in bilateral relations in the recent past, especially following President Le Duc Anh's official Cambodia visit in August 1995 and King Norodom Sihanouk's official Vietnam visit in December 1995. The two sides reiterated their resolve to further promote their friendship and multifaceted cooperation based on their already agreed principles, namely, respect for each country's independence, sovereignty, and territorial integrity; noninterference in each country's internal affairs; nonuse of military strength or threat of use of military strength; denial of either country's territory to any political or military organizations for use as a springboard for an attack on the other country; settlement of disputes through peaceful negotiations; equality; mutual benefit; and peaceful coexistence in the interest of the two peoples and for the sake of peace, stability, cooperation, and prosperity in Southeast Asia.

The two sides concurred on a number of practical measures to further promote bilateral cooperation in trade, transport and communications, agro-forestry, and education and training. The two sides agreed to have Cambodia's Ministries of Trade and Commerce, Public Works and Transportation, and Interior and Vietnam's Ministries of Trade, Transport and Communications, and Interior discuss appropriate measures to reach a new trade agreement at an early date and in keeping with the current trade situations in the two countries, an agreement on land transport, an agreement on riverine transport, and an agreement on security cooperation. The two sides suggested that Cambodia's Ministry of Agriculture, Forestry, and Fisheries and Vietnam's Ministry of Agriculture and Rural Development continue implementing the agreement on economic and scientific-technological cooperation signed in Hanoi on 2 March 1996. The two sides agreed to reach an adequate solution to the unsolved problems concerning bilateral relations through negotiations and in conformity with international laws and practices as well as in the spirit of the principles expounded in the joint communiqués released by Vietnam and Cambodia in January 1992, August 1993, April 1994, January 1995, August 1995, and December 1995 respectively and on the basis of the traditional friendship, cooperation, and good neighborliness between Vietnam and Cambodia.

With regard to the problems concerning Vietnamese residents in Cambodia, the two sides agreed that the expert working group would hold a third round of talks in Phnom Penh as soon as possible to tackle this issue.

The two sides also agreed to sign the consular agreement as soon as possible.

The two sides reiterated the desire to build the Vietnam-Cambodia border area into one of peace, friendship, and lasting stability and to resolve differences through peaceful negotiations, thereby contributing to promoting bilateral cooperation and good neighborliness. In that spirit, the two sides unanimously agreed to convene a meeting of the border expert working group at its earliest convenience, possibly the last week of April 1996. The two sides welcomed the recent positive developments in Southeast Asia and highly valued the important results of the fifth ASEAN summit in Bangkok in December 1995. The Vietnamese side welcomed Cambodia's application for ASEAN membership and was willing to help Cambodia's efforts for regional integration.

The two sides noted with delight the positive results of this meeting and agreed to hold regular meetings between Vietnamese and Cambodian Government leaders to promote mutual understanding, trust, and cooperation and to settle existing problems as well as new issues in bilateral relations in a quick and timely manner.

Prime Minister Vo Van Kiet sincerely thanked King Norodom Sihanouk, Queen Monineat Sihanouk, the two Cambodian prime ministers and other government leaders, and the Cambodian people for the warm reception accorded to him and his entourage during their stay in Cambodia. He invited the two Cambodian prime ministers to visit Vietnam, the invitation being accepted with pleasure. The concrete timing of the visit will be arranged through diplomatic channels.

SRV Prime Minister Vo Van Kiet Leaves for Cambodia

*BK1004092696 Hanoi VNA in English
0635 GMT 10 Apr 96*

[FBIS Transcribed Text] Hanoi VNA April 10 — Prime Minister Vo Van Kiet left Ho Chi Minh City this morning for a visit to Cambodia at the invitation of the Cambodian first and second prime ministers Samdech Norodom Ranariddh and Samdech Hun Sen, respectively.

The prime minister is accompanied by Foreign Minister Nguyen Manh Cam. Other delegates include the deputy head of the Government Office, the deputy ministers of foreign affairs, the interior, planning and investment, trade, agriculture and rural development, transport and communications and the head of the Government Border Commission.

Hanoi Commercial, Industrial Union Established

*BK1004104496 Hanoi VNA in English
0648 GMT 10 Apr 96*

[FBIS Transcribed Text] Hanoi VNA April 10 — The Union of Commercial and Industrial Associations of Hanoi has been established after its first congress held here recently.

The congress, with the participation of 214 businesspeople from various economic sectors involved in production, business and services, was attended by Mr. Vu Oanh, politburo member of the Communist Party of Vietnam Central Committee (CPVCV), Mr. Hoang Van Nghien, CPVCC member and mayor of Hanoi, Mr. Tran Van Dang, secretary general of the Central Committee of the Vietnam Fatherland Front, and representatives from relevant bodies.

The congress passed the union's statute and programmes of action for the 1996-2000 period, and selected its executive board and other institutional structures.

The establishment of the Hanoi Union of Commercial and Industrial Associations is aimed at collecting its member's proposals and submitting them to local and central authorities, thus helping them operate effectively, and further expand their relationship with other economic organisations and individuals at home and abroad.

The union will also encourage its members to invest in the renewal of their structures and technologies in line with Hanoi's industrialisation and modernisation, particularly in engineering, garments-textiles-leather and industries like foodstuff, electronics, and construction.

Following the establishment of the union, specialized professional associations such as garments-textiles-leather, building, electronics, and information are also expected to be set up this year.

SRV: State Bank Official Discusses Monetary Policy

*962E0028A Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 15, 16 Feb 96*

[Article by State Bank Vice Governor Le Van Chau, MA: "A Number of Issues Concerning Our Country's Monetary Policy Today"]

[FBIS Translated Text]

[15 Feb 96 p 4]

International experiences in managing monetary policy have provided Vietnam with many valuable and useful lessons. But what is just as important, if not more

important, is to analyze and evaluate things and gain experience from our country's monetary policy processes during the recent period of change.

Even though our country's monetary policy has not achieved the level of perfection desired and is not yet able to satisfy all the demands posed by the economy, viewed objectively and fairly, there are sufficient grounds for recognizing the contributions made by monetary policy to the great achievements scored during our country's first 10 years of carrying on a very difficult renovation movement.

Evaluating the entire monetary policy process during those 10 years from the two aspects mentioned above is the best way to forge a monetary policy with the strength to meet the great challenges that will be posed by the economy in the coming stage.

Renovation Force

During the period 1986-1988, the economy faced galloping inflation. In this unstable situation, as inflation rose, the people's confidence in the dong—symbolizing the prestige of the system, party, and state—declined. During that very difficult period, two major changes in the monetary sphere, raising the rate of exchange to market value and implementing practical interest rate measures, generated a strong force for turning the situation around. With the direct target being to restore real value to the Vietnamese dong with respect to both exchange rates and interest rates, those two strategic policies made a decisive contribution to reducing inflation and restoring and increasing people's confidence in the dong and in the leadership of the party and state. What is more, the new viewpoint on the role of the dong and of market relations that was formed from that created a strong foundation for transforming renovation ideas into reality. The problem had to do with the key role of money in the market mechanism. Once the decision was made to focus on that, achieving the desired positive results became quite clear. The two results mentioned above are regarded as monetary policy's greatest contributions to renovation in the past period. Along with this, the selection of the key elements in a market economy system is the "break through" point in order to solve a problem that all countries regard as the most difficult problem in the economic sphere—fighting inflation and establishing economic stability at the macrocosmic level. Our government has now learned very valuable lessons concerning methodology in managing and regulating a market economy using a very effective tool, money.

This new view on the value and role of money has provided an overall direction for the entire monetary policy process. The changes that have occurred following the

initial steps mentioned above within the framework of monetary policy have basically taken place within the "orbit" chosen. Although this is not true of all aspects, the process has proceeded in a straightforward manner. But in general, the measures have focused on satisfying the two main requirements of the process of shifting to a market economy: synchronizing things and doing things in order. The most important measures in this are:

To promulgate laws on a two-tiered banking system.

To permit the establishment of share banks and gradually restore the network of credit cooperatives based on the the new principles.

To allow foreign banks to establish branches and offices in Vietnam.

To form foreign currency trading centers and interbank currency markets.

To develop and expand relations with international financial and monetary organizations.

To control the supply of money based on market signals. In this, the most striking thing is the fact that the State Bank must not supply money to support budget expenditures.

To adhere to the principle of real interest rates to encourage people to save. At the same time, there must be flexibility in regulating interest rates in accord with the changes in inflation in order to aid investment.

To use stable exchange rate measures with flexible intervention by the state.

There are many other concrete measures. But the above factors are sufficient to provide us with a new approach to monetary policy in terms of both mechanism and operating apparatus. With this approach, monetary policy has made great contributions to hitting the two targets of restoring stability and promoting economic growth.

With the achievements scored in lowering inflation in 1995 (12.7 percent as compared with 14.4 percent in 1994), we have another important reason to state with greater confidence that we have the ability to control inflation and keep it within the range of 10-15 percent a year, or even lower.

Contrary to the tendency toward lower inflation is the rapid increase in the amount of savings mobilized and the volume of loans made. As compared with 1991, savings deposit balances tripled in 1995, the amount of money loaned quadrupled, and the general debit balance invested in the economy increased by more than 50 percent a year. Another very encouraging sign is that bank loan-deposit allocations have shifted toward

increasing the proportion of long-term sources. Behind all these numbers and facts is monetary policy's power to promote growth.

We can also point out other contributions made by monetary policy in creating a fair business environment, promoting exports, eliminating poverty, and so on.

However, the key to all these achievements must be made clear. The key is the agreement between our approach to monetary policy and the logic of the renovation process. Three special characteristics show that agreement:

First, monetary policy is following the line of shifting to an open-door market economy.

Second, an effort is being made to enable monetary policy to really become an effective macrocosmic economic management tool in the hands of the state.

Third, there is agreement between monetary policy and the other macrocosmic economic policies that have been used in the renovation process.

To one degree or another, all three of these characteristics are contained in each of the monetary measures mentioned above. Integrating them—that is a better explanation for the success of monetary policy and of the entire process of shifting the economy viewed from the standpoint of monetary policy.

But that is just one aspect of the problem.

Facing the New Tasks and Challenges

Comparing our level of development to that of the world, a foreign economist observed that of all the economic sectors, the one with the largest gap is the banking sector. That observation had a hidden agenda: to maintain harmony and the desired rate of economic growth, Vietnam must concentrate its efforts on upgrading and improving the banking system in general and monetary policy in particular. Once the important role of monetary policy in the renovation process is recognized, that hidden agenda is clearly exposed.

In the coming stage, our country's economy will have to deal with new tasks. The nature of those new tasks is manifested in the new correlation between the targets of stability and growth and in the increasing challenges posed by the threat of declining growth in the face of a world that is entering a period of rapid growth.

Of course, it must be noted that strong stability and rapid and long-term growth are the general targets of the entire economy. To contribute to hitting those targets, monetary policy must focus on intermediate targets, which have their own special characteristics.

Monetary policy has two main intermediate targets. First, in coming years, the value of the dong, the key to macrocosmic stability, must be stabilized and inflation must be reduced to single digits. Second, the financial-monetary system must be developed, and the rate of savings and investment in the economy must be increased.

In the new stage, certain changes must be made in the correlation between these two targets of monetary policy: While continuing to view stabilizing the currency as the basic task, there must be greater emphasis on focusing directly on the target of growth (developing the financial environment and increasing the rate of savings and investment). Our country's economy is no longer in crisis. Now, the time has come when growth will be decisive for stability (even though in the short term and by nature, it will always disrupt stability). There will be firm stability only when the focus is on growth.

These targets pose many complex problems for monetary policy. In giving high marks to the achievements scored by monetary policy, it must be recognized that inflation, and the instability in the currency that goes with this, still poses a threat. Along with this, the country's financial-monetary environment is still underdeveloped. Savings and domestic investment are still very low as compared with the requirements posed by the target of rapid and long-term growth. In this situation, monetary policy must take a new approach in using its tools.

The lessons of the world and the experiences of our country in past years show that in order to achieve the greatest all-round results, the targets and tools must be coordinated well in the operation of monetary policy. Put another way, things must always be based on long-term and all-round viewpoints in order to solve the short-term and local problems. This is regarded as the guiding principle when using the tools of monetary policy (such as interest rates, exchange rates, compulsory reserves, and so on) and regulating the apparatus, including the securities market that is being built.

[16 Feb 96 p 4]

The second principle is to ensure agreement regarding orientation. The leading target of monetary policy—the development of the financial-monetary environment—must be regarded as the "focal point" of all the policy tools mentioned above. Only with this principle can we define a rational correlation between interest rate and exchange rate indexes, the percentage of compulsory reserves, the amount of open-market tools, and so on. An interest rate that encourages saving and helps control inflation may have undesired effects and hamper investment. Or maintaining an exchange rate

that promotes exports may affect interest rates in a way that discourages saving. Such things can happen in the relationship between the level of currency reserves and the percentage of compulsory reserves and other currency tools. What this means is that when using the various tools, the targets of greatest priority must be used as the coordinates to determine the equilibrium point for all the variables and tools being used.

The third principle is to ensure synchronized coordination between monetary policy and the other macrocosmic economic policies, particularly the financial and budget policies. This requirement stems from the subordinate ties between the elements that form the policy system, because they all have the same high targets. A few examples will clarify this. Inflation is a currency phenomenon, but it determined by the relationship between supply and demand, that is, by the economy's production and circulation situation. Or the "health" of the budget always affects the national financial-monetary environment, inflation, and the ability to mobilize savings and investment. If these relationships are ignored, the success of monetary policy, no matter how striking, may be reduced if viewed from an all-round viewpoint.

The fourth principle is to expand international cooperation. In an open-market economy, international factors are having a stronger and stronger effect on domestic economic life. This matches or is even at a higher level than the financial-monetary sphere. With the model being to use exports as the motive force for growth, with the tendency being to use foreign investment capital for rapid growth, and with the requirements being to build a securities market and strengthen joint ventures and international cooperation and competition in the banking sphere, monetary policy must continue to expand international cooperation, with this regarded as its important structural factor. In order to implement this principle, the following problems must be solved:

A legal structure must be established and perfected in accord with the need for international cooperation and competition in the finance and banking sphere.

There must be a reasonable and flexible correlation between exchange rates, tariffs, interest rates, and other monetary variables, with these being the factors that can ensure a wholesome and fair business environment for all targets.

The competitive strength of our domestic banks and financial-monetary systems must be increased. This must be viewed as the basic condition for having fair and mutually-beneficial cooperation with other countries.

In general, these principles must be systematized in the form of concrete regulations in accord with actual conditions. Otherwise, as the experiences of many other countries have shown, it will be difficult to avoid instability in the domestic monetary environment, capital will flee the country, and the mobilization process will encounter many obstacles and achieve less than foreign currencies. And in the end, the banking system will remain inferior in international competition on the financial and currency markets.

There are many other specific principles and viewpoints, but I can't mention all of them in this short article.

Finally, I must mention a key point that will determine the success or failure of a monetary policy that has been created and that is operating in accord with the above principles. I am referring to an apparatus to implement the policy. To date, even though the banking system has made notable progress, we still don't have an apparatus equal to the tasks that it must shoulder. In order to narrow the gap, many problems must be solved. Among these is the problem of quickly modernizing the banking system, renovating and gradually perfecting the banking industry, building and perfecting such systems as an interbank domestic currency market, an interbank foreign currency market, a treasury note market, and, in particular, a securities market. Along with those system factors, particular attention must be given to (I) resolutely promoting audit and control activities in the finance and banking system in order to establish and solidify order and discipline in operations and (II) strengthening the human factor.

Regarding the human factor, there are two key tasks that must be carried out together. First, people with good ethical qualities and adequate capabilities, particularly leading cadres, must be selected to work in the banking system. Second, the market economy and professional standards of the cadres and employees must be upgraded regularly. The goal of all of these things is to quickly establish a banking system equal to the world in terms of both standards and competitive strength. If these tasks are not carried out rationally—in terms of both degree and steps—no matter how correct and rational the monetary policy of the coming period, it will remain just a wonderful dream and good outline.

SRV: Draft Party Political Report, Installment 1

BK1104060996 Hanoi Voice of Vietnam Network
in Vietnamese 2300 GMT 9 Apr 96

[First installment of draft political report to be presented by the Communist Party of Vietnam Central Committee

at the upcoming Eighth National Party Congress; date not given]

[FBIS Translated Text] Part One: The Nation After 10 Years of Renovation

The Eighth National Party Congress convenes at a time of great significance, with comprehensive renovation beginning with the implementation of the Sixth National Party Congress resolutions almost 10 years ago. Since then, Vietnam has recorded great and significant changes.

In the late 70's, and before the Sixth National Party Congress Vietnam experienced a socioeconomic crisis. After a review of the realities, the people's situation and resourcefulness, our party set forth many policies that had the characteristics of partial renovation. The implementation of these policies contributed significantly to the economic development from 1981 to 1985. Nevertheless, the various weaknesses of the previous socialist construction models were not fundamentally overcome, and this obstructed the development of production forces. Economic progress was not sufficient to overcome the difficulties, there was an embargo on our country, and national defense spending was still high. Moreover, we made a number of mistakes in implementing the various reforms, thus precipitating an acute socioeconomic crisis. The inflation rate hit 774.7 percent in 1986. Nonetheless, experiments with partial renovation helped us to learn valuable lessons. At the Sixth National Party Congress in late 1986, our party reviewed the realities and studied the experiences of foreign countries. On the basis of this, our party — in facing, appraising, and speaking the truth — seriously reviewed the leadership, analyzed mistakes and shortcomings, and set forth lines for a comprehensive renovation. This was a turning point in the socialist construction of our country.

The first five years after the Sixth National Party Congress was a period of arduous struggle. Renovation was implemented vigorously. However, the situation became complicated and, at certain times, the difficulties seemed impossible to overcome. In three consecutive years, we had a three-digit inflation rate. The daily livelihood of wage earners and social welfare recipients deteriorated seriously. Many state enterprises and small industrial and handicraft cooperatives operated at a loss, in a moderate fashion, or were even closed down. Dozens of thousands of workers were forced to abandon production and turn to other ways and means to earn a living. Tens of thousands of teachers gave up their profession; credit unworthiness was widespread; while complicated international development affected our country adversely.

In meeting this situation, our party, state, and people clearly showed their firm determination to overcome difficulties, maintain political stability, resolve pressing socioeconomic issues, carry out renovation in various domains of the social life, and gradually apply the Sixth National Party Congress resolutions to daily life.

In early 1988, there was serious famine in many areas. Inflation was still at 393.8 percent. However, since 1989, Vietnam began to export 1 to 1.5 million tonnes of rice annually. Increasingly, consumer goods met market demands, and the inflation rate gradually reduced. By 1998, it was at only 67.4 percent.

The implementation of the three major economic programs had recorded clear progress. The commodity-based multisectorial economy operated according to the market mechanism under state management and began to take shape; the people's daily livelihood improved; democracy developed in society; confidence was gradually restored; national defense and security were firmly maintained; diplomacy which was expanding, extricated Vietnam from encirclement and isolation; and the party building task recorded notable progress. However, the achievements were still limited and unsound. There were also many pressing social issues.

The Seventh National Party Congress observed that the renovation had recorded initial yet very significant achievements. However, Vietnam was not able to extricate itself from the socioeconomic crisis. The congress passed the platform on building the nation in the transitional period toward socialism, the strategy on socioeconomic development to the year 2000, the political report, and the revised party statute. It set forth general objectives for the term of the seventh party congress, which included efforts to overcome difficulties and ordeals, stabilize and develop socioeconomy, strengthen political stability, repel negativism and social injustice, and to basically extricate Vietnam from the crisis. The congress solemnly declared: Vietnam wants to befriend all countries in the world community struggling for peace, independence, and development.

Not long after the Seventh Party Congress the Soviet Union collapsed. This had a profound impact on Vietnam. A majority of our cadres and people were worried. A number of people vacillated over and became skeptical about the future of socialism. Our economic ties with traditional markets were upset. Meanwhile, the U.S. maintained its embargo on us. Certain external forces stepped up their peaceful evolution strategy-related, and subversive activities. Some local reactionary elements seized this opportunity to raise their heads. Our country again faced ordeals. In spite of the complicated situation, our party and people firmly kept to the renovation

policy, strove to implement the Seventh Party Congress resolution, developed upon the achievements of the preceding years, overcame difficulties and obstacles, and achieved many new, and greater successes.

I. Successes.

1. Stepping up the pace of socioeconomic development: For the first time, we overfulfilled many of our main targets in the five-year plan. Our GDP growth rate during the five-year period of 1991-95 averaged 8.2 percent, compared to the planned 5.5-6.5 percent. The annual growth rates of industrial production, agricultural production, and exports averaged 13.3 percent, 4.5 percent, and 20 percent respectively.

There were some improvements in the economy. Contributions from industry and building to the GDP rose from 22.7 percent in 1990 to 30.3 percent in 1995; while services rose from 38.6 percent to 42.5 percent. There were initial savings from within the economy. Infrastructure investment comprised 15.8 percent of the GDP in 1990 and increased to 27.4 percent in 1995, while domestic investment sources accounted for 16.7 percent. By the end of 1995, the total registered capital of all foreign projects stood at \$18 billion. One-third of this has been put into use. Inflation dropped from 67.1 percent in 1991 to 14.4 percent in 1994, and 12.7 percent in 1995.

Scientific and technological activities have been linked more closely with the socioeconomic development requirements and have been gradually readjusted to the market mechanism. More technological advances have been applied to production and life.

Production relations have been readjusted to suit the requirements in the development of production forces. The commodity-based and market-oriented multisectoral economy, which is managed by the state along the socialist path, continues to be built.

2. Some positive changes to social welfare: The material life of the majority of the people has improved. The numbers of middle-income earners and the rich have increased and the poor decreased. An additional one million workers have been given employment per year. The quantities of commodities available on the market have doubled over the past five years. More homes and roads have been upgraded or built, both in the countryside and in various cities.

There has been some progress in disease prevention, primary health care, and epidemic control. Physical education and sports have developed. The people's intellect have been raised and the amount of cultural activities they enjoy have increased. Development and progress in the various aspects of education and training, in culture, the arts, and mass media, family planning, and other so-

cial activities have been noted. The people's dynamism and creativity have been rekindled and fostered.

The laboring people have become more self-motivated in finding employment for themselves, in raising their income, and participating in community activities. The tendency to depend on and wait for state assistance has been practically overcome. All people have responded enthusiastically in repaying the kindness of those with meritorious deeds toward the country. Hunger eradication, poverty alleviation, and various charitable activities are being expanded, and this becoming a new beautiful feature of our society.

The people's confidence in the regime and the country's future as well as in the party and the state have been enhanced.

3. Continuing to maintain political stability and strengthen national defense and security: Against a complex background, we have maintained political stability, protected the regime, firmly maintained our national independence and sovereignty, and peace for the country, thus creating favorable, basic conditions for renovation. This is attributed to the integrated results of the renovation with national defense and security playing a particularly important role.

The party has more clearly defined the orientations and tasks and the guiding concepts for national defense in the new situation. It has also continued to successfully readjust its national defense and security strategy. The requirements for strengthening national defense and security, and improvement in the livelihood of troops have been met more satisfactorily. The quality of the army and its militancy have improved. The all-people national defense combat array has been consolidated, while the security front has been reorganized and strengthened, capable of smashing all attempts at rebellion, subversion, and political disturbance.

4. Successfully making certain important changes to the political system: On the basis of the platform to build the country during its transition to socialism, we have gradually supplemented and realized our renovative lines. We have consolidated the party politically, ideologically, and organizationally and have revamped its leadership role in society. We have amended the Constitution, revised and promulgated many important legal documents, further renovated our national administrative system, and continued to build a law-governing state — the SRV.

There are new changes to the activities of the state organs at various levels. These organs have progressed in promoting democracy, strengthening order and discipline, and improving efficiency. The Fatherland Front

and other mass and social organizations have gradually renovated their activity programs and working procedures and have therefore become more effective. The people's right to mastery in the various areas — economic, social, political, ideological, and cultural — has been fostered. The compatriots of various ethnic minority groups and the people of all walks of life in our country have become increasingly united and attached in making the people prosperous, the country powerful, and the society equitable and civilized. More of our overseas compatriots have also looked toward their homeland for that great cause.

5. Vigorously developing foreign relations, breaking the siege and isolation, and positively participating in the life of the international community: By deploying positively and spiritedly our foreign policy of independence and sovereignty in a diverse and multilateral fashion, we have restored normal ties with and developed our multifaceted cooperation with China, strengthened our special relations of unity and friendship with Laos, developed our relations with other neighboring countries and other regional nations, and become a full member of the ASEAN grouping. We have consolidated our traditional friendly relations with many countries, gradually renovated our ties with those countries in the Commonwealth of Independence States — CIS — and those in Eastern Europe, expanded our relations with industrialized nations and international and regional organizations, normalized U.S.-Vietnamese ties, and established and broadened our relations with many countries in South Asia, the Middle East, Africa, and Latin America.

We have continued to develop our relations of unity and friendship with various communist and worker parties, national independence movements, and progressive organizations and movements in the world. We have established and promoted relations with the ruling parties of certain countries and broadened foreign relations activities of the various mass organizations and social groups.

Vietnam has so far established diplomatic ties with 160 countries and trade ties with over 100 countries. Over 50 countries and territories have made investments in our country. Many governmental and international organizations have offered us nonrefundable aid or loans for development.

Diplomatic achievements are an important factor that have helped us maintain peace, break the siege and blockade, improve and raise our country's position in the world, and create a favorable environment for national construction and defense. These are positive contributions from our party, state, and people to

the world in their common cause of peace, national independence, democracy, and social progress.

SRV: Draft Political Report Highlights 'Mistakes, Weaknesses'

*BK1104070396 Hanoi VNA in English
1307 GMT 10 Apr 96*

[FBIS Transcribed Text] Hanoi VNA April 10 — A draft political report to be presented to the coming 8th National Congress of the Communist Party of Vietnam was made public today for people's comment.

The report highlights Vietnam's all-sided achievements in the past 10 year of national renewal, and points to its mistakes and weaknesses, and lessons for success.

'Our country is still poor, but we have failed to observe proper economy in production and thrift in consumption accumulation from within the economy remains too low,' the report notes.

In developing a multi-sector economy, guidance in building the new relations of production has proved somewhat confused and lax.

The market mechanism remains rudimentary, and the role of the state in the management of socio-economic development is still weak. Our system of economic management is still in a process of transition the laws, mechanisms and policies are not yet well-coordinated and consistent so as to stimulate and guide economic development.

The pace of renewal in financial, banking, pricing, planning activities, construction scheming, land management, and administrative procedures is slow.

Many painful problems still beset various aspects of social life. Corruption, smuggling and the squandering of public property have yet to be checked. Serious wrongdoings persist within the state and party apparatuses and people's organisations, especially in the fields of land and housing, capital construction, investment cooperation, taxation, import and export, and even in the activities of many law-enforcement bodies. Polarisation of wealth has increased between the various regions, between urban and rural areas, and between different segments of the population.

Many weaknesses remain in the political system. The competence and efficacy of the party leadership, the effectiveness of the state management and administration and the efficiency of the activities of people's organisations have not been brought up to par with the requirements of the situation. The apparatuses of the party, state and people's organisations have been slow to re-organise, streamline and improve in quality there remain

many instances of bureaucratism and serious violation of the people's democratic rights.

The report continues: 'From an overall point of view, the determination and implementation of the line of renewal over the past years is basically correct and in line with the socialist orientation, despite the fact that in the course of implementation, a number of prolonged major mistakes and errors have resulted in deviations of varying degrees, here and there.

'The process of renewal has over the past 10 years recorded great achievements of very important significance. The tasks set by the seventh national congress for the five years from 1991 to 1995 have been for the essential fulfilled.

'Our country has come out of the socio-economic crisis, but a number of aspects have yet to be firmly consolidated.

'The task set for the initial phase of the transition period, which is to prepare the premises for industrialisation, has in the main been completed our country is moving into a new period, that of pressing ahead with the industrialisation and modernisation of the country.

'The path to socialism in our country has been more and more clearly defined.'

Reviewing the course of renewal of the past 10 years, the report draws the following main lessons:

— To persist firmly in the goal of national independence and socialism throughout the process of renewal.

In the process of renewal, it is necessary to persist firmly in the goal of national independence and socialism holding on to the two strategic tasks of national construction and defence, persevering in Marxism-Leninism and Ho Chi Minh's thoughts, and maintaining firmly the leading role of the party.

— To handle correctly the relationship between renewal of the political system and economic renewal, and to closely combine economic renewal with political renewal from the start.

— Economic renewal and the building of a multi-sector commodity economy operating along the market mechanism must be accompanied by the strengthening of the role of state management along the socialist line. Economic growth must go hand in hand with social progress and equity, the preservation and promotion of the national cultural identity and the protection of the ecological environment.

— To broaden the all-people unity and promote the aggregate strength of the entire nation.

— To win the sympathy, support and assistance of the world people and combine the strength of the nation with that of the times and

— To firmly maintain the leading role of the party and to consider party building a key task.

SRV: Public Urged To Express Views on Draft Political Report

BK1004003396 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 9 Apr 96

[FBIS Translated Text] The ninth plenum of the Central Committee of the Communist Party of Vietnam held in November 1995 approved the party Central Committee's draft political report to the Eighth National Party Congress.

In the past months, the draft political report has been sent to party organizations in the entire country so that views can be solicited from party cadres and members in conferences held by party organizations at the central level, party congresses at the grassroots and higher levels, and workshops held for medium and high-ranking cadres by the party Secretariat. It has also been presented to the Central Committee of the Vietnam Fatherland Front and the provincial and city fatherland fronts for their views.

To continue with the development of democracy and to raise the people's awareness, the party Secretariat has decided to publicize the contents of the draft political report through the mass media so that people can contribute their views on this important document of the Eighth National Party Congress. The view solicitation period will last for two months from now until the beginning of June 1996.

The party Secretariat solemnly calls on the people inside and outside the country to continue supporting this campaign. All views should be sent to the Central Ideological and Cultural Department; the Office of the party Central Committee; party committees at all levels; head offices of *NGHÂN DAN*, *TAP CHI CONG SAN*, or *QUAN DO*; *NHAN DAN* newspapers; the Voice of Vietnam; Vietnam Television Station; newspapers issued by fatherland fronts and central mass organizations; or local party newspapers. They will then be sent to the party Secretariat for study to perfect the political report to the National Party congress.

SRV: Logistics General Department Holds 7th Party Congress

BK1104020896 Hanoi QUAN DOI NHAN DAN in Vietnamese 30 Mar 96 p 1,3

[Report by Van Huong]

[FBIS Translated Text] From 26 to 28 March, the party committee of the Logistics General Department [LGD] held its seventh party congress. Comrade Senior Lieutenant General Nguyen Trong Xuyen, member of the party Central Committee, permanent member of the Central Military Party Committee [CMPC], and deputy minister of national defense, chaired the congress. Representatives from the Central Control Party Committee, Ministry of National Defense, and Political General Department also attended the congress.

In the spirit of "democracy, unity, intelligence, and renovation," the congress enthusiastically discussed, contributed views to, and unanimously agreed with the documents of the eighth national party congress and the CMPC political report. This reflects the profound belief by congress participants in the party leadership, socialist goal, and especially the renovation of the last 10 years. The renovation has helped to maintain political stability, develop national economy, and improve people's life with every passing day.

Addressing the congress on behalf of the CMPC and the Ministry of National Defense, Senior Lt. Gen. Nguyen Trong Xuyen brought up many issues for the congress to discuss. He said that the logistical work in the new period requires the party to strengthen its leadership. The LGD and the logistics sector in the Armed Forces must firmly understand their key goals and outline directions to improve logistical work from 1996 to 2000. They must participate with the entire Armed Forces to build a revolutionary, regular, skillful, and modern people's army to frustrate all conspiracies of "peaceful evolution" and violent subversion of the hostile forces. They must firmly protect the national independence, sovereignty, and integrity; contribute to the maintenance of political stability; and protect the country, party, regime, and people. The LGD and the logistics sector must strengthen its leadership, improve the performance of their organs and units, and actively advance their logistical work to satisfactorily serve the military training and combat readiness. They must build their party committees into clean and strong ones with good leadership capacity and high fighting power. The LGD must set up suitable organs to direct its attention to the grassroots-level and satisfactorily carry out its advisory role to the Ministry of National Defense on logistical work. The LGD and the logistics sector must exercise diligence, practice frugality, instill

honesty, and uphold righteousness. They must conduct scientific research and build the logistical organs under the direction of industrialization and modernization to improve their logistical work. They must create more resources and improve working conditions and spiritual and material life of cadres, soldiers, and retirees.

The congress confirmed that during the last official term, the LGD party committee thoroughly understood the party's military ideology and the army's role in national defense. It renovated its thinking and logistical method, gradually improved the soldiers' lives, and accomplished all regular logistical work and combat readiness. Many tasks have been satisfactorily carried out, thus contributing to the heightening of the combat strength and the construction of our regular army. Progressive achievements have been recorded in every military organ and unit. The LGD has manifested its political, ideological, and organizational firmness and determination, thus improving its leadership capacity and fighting power.

The congress noted shortcomings, both in the advisory role and the organizational, personnel, and material management. It also drew upon its experiences to improve the LGD party committee's management for the new period.

To thoroughly comprehend the conception on industrialization and nationalization in the logistical work, the party congress discussed, and decided on, directions and tasks for the period of 1996-2000. These include concentrating the party leadership, renovating thinking in logistical work, and building a stronger people's logistical front. The congress also perfected the method to ensure good logistics for regular or emergency military training and combat readiness to enhance the combined strength and fighting power of the Armed Forces and successfully protect our socialist regime, party, fatherland, and people. The congress also discussed and outlined measures to build the logistics sector from now until the year 2000 and to industrialize the logistics sector on the basis of efficient exploitation and use of existing equipment and facilities and acceleration of scientific research and application. The logistics sector must satisfactorily carry out its advisory role to the Ministry of National Defense on the logistical work, expand the people's logistical front in national protection and construction, and gradually perfect the industrial establishments of the logistics sector to meet current and future demands. It must continue to revamp and perfect measures to ensure an adequate supply of food, clothes, housing, living facilities, health care, and transportation. The logistics sector must build clean and strong party committees, organs, and units to fulfill all logistical work in the new situation and satisfactorily carry

out the movement as "the logistics sector of the Armed Forces should comply with Uncle Ho's teachings."

On this occasion, the congress conferred the flag "exemplarily clean and strong grassroots party committee" for the period of 1991- 95 to the party committees of No. 386 Construction company, LGD Political Department, and No. 33 Vehicle Transport regiment.

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